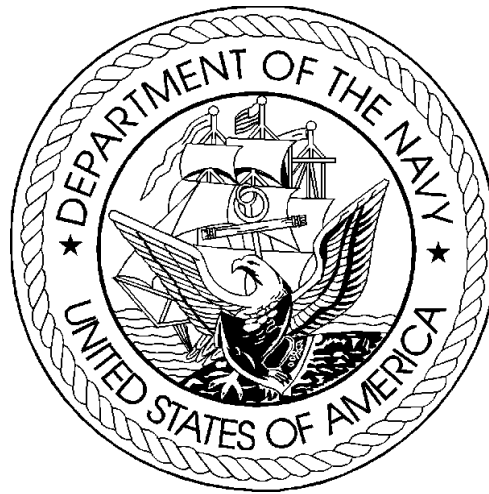


DEPARTMENT OF THE NAVY FY 1999 AMENDED BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
FEBRUARY 1998

MILITARY PERSONNEL, MARINE CORPS

DEPARTMENT OF THE NAVY
JUSTIFICATION OF ESTIMATES FOR FY 1999
MILITARY PERSONNEL, MARINE CORPS

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**SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM
(IN THOUSANDS OF DOLLARS)**

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Direct Program			
Pay and Allowance of Officers	\$1,256,275	\$1,276,569	\$1,313,250
Pay and Allowance of Enlisted	4,126,753	4,239,842	4,326,992
Subsistence of Enlisted Personnel	331,034	338,774	348,835
Permanent Change of Station Travel	224,074	221,199	227,533
Other Military Personnel Costs	37,952	36,928	55,479
	-----	-----	-----
Total Direct Program	\$5,976,088	\$6,113,312	\$6,272,089
Reimbursable Program			
Pay and Allowance of Officers	\$10,304	\$10,566	\$10,246
Pay and Allowance of Enlisted	7,360	7,910	7,961
Subsistence of Enlisted Personnel	10,761	12,334	13,608
Permanent Change of Station Travel	289	291	221
	-----	-----	-----
Total Reimbursable Program	\$28,714	\$31,101	\$32,036
Total Program			
Pay and Allowance of Officers	\$1,266,579	\$1,287,135	\$1,323,496
Pay and Allowance of Enlisted	4,134,113	4,247,752	4,334,953
Subsistence of Enlisted Personnel	341,795	351,108	362,443
Permanent Change of Station Travel	224,363	221,490	227,754
Other Military Personnel Costs	37,952	36,928	55,479
	-----	-----	-----
Total Obligations	\$6,004,802	\$6,144,413	\$6,304,125

The following legislative proposal is included in the above estimates and submitted for approval in FY 1999.

	<u>FY 1999</u>
Hazardous Duty Incentive Pay for Firefighters (BA 2)	\$419

SECTION 2 INTRODUCTORY STATEMENT

The Military Personnel, Marine Corps Appropriation provides financial resources to compensate active military personnel required to support the approved force structure. The Appropriation also includes funds for retired pay accrual, unemployment compensation and social security benefits for widows and orphans of military personnel. These entitlements were approved by the Congress and enacted via Public Law.

This budget provides for a Marine Corps active duty FY 1999 end strength of 172,200. This force structure permits us to fulfill our charter as a versatile expeditionary force-in-readiness, capable of rapidly responding to global contingencies.

The tables in Sections 1 through 4 contain budget data for Pay and Allowances of Officers and Enlisted; Subsistence of Enlisted Personnel; Permanent Change of Station Travel; and Other Military Personnel Costs. Retired pay accrual, social security benefits and the CONUS COLA are reflected in the Pay and Allowances of Officers and Enlisted personnel, as appropriate. Unemployment compensation is included under Other Military Personnel Costs. The budget activity structure and detailed justification demonstrates how the military personnel program is managed and controlled. It displays the inventory of officers and enlisted personnel with associated workyears.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). The FY 1998 BAQ and VHA amounts in this budget reflect payments for three months (October through December 1997). Effective 1 January 1998, the BAQ and VHA payments are included under BAH.

The Fiscal Year 1999 President's Budget request reflects the following actions:

FISCAL YEAR 1998

- a. The \$6,113,312 supports an end strength of 172,987 with the average strength at 173,074.**
- b. Retired pay accrual percentage is 30.5 percent of the basic pay.**
- c. The pay raise is 2.8 percent.**
- d. The economic assumption for non-pay inflation is 1.4 percent.**

FISCAL YEAR 1999

- a. The requested \$6,272,089 supports an end strength of 172,200 with the average strength at 172,079.**
- b. Retired pay accrual percentage is 30.2 percent of the basic pay.**
- c. The pay raise is 3.1 percent.**
- d. The economic assumption for non-pay inflation is 1.5 percent.**

MILITARY PERSONNEL, MARINE CORPS
SUMMARY OF STRENGTH

	FY 1997 Average <u>Strength</u>	FY 1997 End <u>Strength</u>	FY 1998 Average <u>Strength</u>	FY 1998 End <u>Strength</u>	FY 1999 Average <u>Strength</u>	FY 1999 End <u>Strength</u>
REGULAR DIRECT PROGRAM						
Officers	17,767	17,700	17,676	17,744	17,735	17,752
Enlisted	155,226	155,791	154,663	154,660	153,625	154,065
ADSW DIRECT PROGRAM						
Officers	74	6	100	8	92	0
Enlisted	<u>76</u>	<u>52</u>	<u>239</u>	<u>179</u>	<u>244</u>	<u>0</u>
Total Direct Program	173,143	173,549	172,678	172,591	171,696	171,817
REIMBURSABLE PROGRAM						
Officers	124	119	134	134	126	126
Enlisted	<u>258</u>	<u>238</u>	<u>262</u>	<u>262</u>	<u>257</u>	<u>257</u>
Total Reimbursables	382	357	396	396	383	383
TOTAL PROGRAM						
Officers	17,965	17,825	17,910	17,886	17,953	17,878
Enlisted	<u>155,560</u>	<u>156,081</u>	<u>155,164</u>	<u>155,101</u>	<u>154,126</u>	<u>154,322</u>
Total Program	173,525	173,906	173,074	172,987	172,079	172,200

MILITARY PERSONNEL, MARINE CORPS
END STRENGTH BY GRADE
TOTAL PROGRAM

	FY 1997 Total	Reimbursable _Included	ADSW Included	FY 1998 Total	Reimbursable _Included	ADSW Included	FY 1999 Total	Reimbursable _Included	ADSW Included
<u>Commissioned Officers</u>									
O-10 General	4	0	0	3	0	0	3	0	0
O-9 Lieutenant General	10	0	0	11	0	0	11	0	0
O-8 Major General	26	0	0	26	0	0	26	0	0
O-7 Brigadier General	41	1	0	40	1	0	40	1	0
O-6 Colonel	618	11	0	620	10	0	620	10	0
O-5 Lieutenant Colonel	1,707	33	1	1,765	33	1	1,764	30	0
O-4 Major	3,292	41	2	3,412	41	1	3,411	37	0
O-3 Captain	5,237	16	1	5,069	39	4	5,065	41	0
O-2 First Lieutenant	2,564	7	0	2,671	0	0	2,605	0	0
O-1 Second Lieutenant	2,515	2	0	2,442	1	0	2,504	1	0
Sub Total	16,014	111	4	16,059	125	6	16,049	120	0
<u>Warrant Officers</u>									
W-5 Chief Warrant Officer	85	0	0	91	0	0	96	0	0
W-4 Chief Warrant Officer	232	3	1	290	4	1	301	3	0
W-3 Chief Warrant Officer	522	2	1	599	2	1	577	0	0
W-2 Chief Warrant Officer	776	3	0	644	2	0	657	2	0
W-1 Warrant Officer	196	0	0	203	1	0	198	1	0
Sub Total	1,811	8	2	1,827	9	2	1,829	6	0
Total Officers	17,825	119	6	17,886	134	8	17,878	126	0
<u>Enlisted Personnel</u>									
E-9 Sergeant Major/Master Gunnery Sgt	1,337	4	0	1,220	11	1	1,215	11	0
E-8 First Sergeant/Master Sergeant	3,297	12	2	3,435	17	6	3,415	15	0
E-7 Gunnery Sergeant	8,524	27	1	8,923	34	11	8,877	34	0
E-6 Staff Sergeant	13,658	46	6	14,477	43	18	14,403	42	0
E-5 Sergeant	22,290	58	16	23,100	68	34	22,977	66	0
E-4 Corporal	28,093	50	12	29,830	82	46	29,668	82	0
E-3 Lance Corporal	43,770	31	14	41,051	7	51	41,800	7	0
E-2 Private First Class	20,739	9	1	19,682	0	12	19,400	0	0
E-1 Private	14,373	1	0	13,383	0	0	12,567	0	0
Total Enlisted	156,081	238	52	155,101	262	179	154,322	257	0
Total End Strength	173,906	357	58	172,987	396	187	172,200	383	0

MILITARY PERSONNEL, MARINE CORPS
AVERAGE STRENGTH BY GRADE
TOTAL PROGRAM

	FY 1997 Total	Reimbursable _Included	ADSW Included	FY 1998 Total	Reimbursable _Included	ADSW Included	FY 1999 Total	Reimbursable _Included	ADSW Included
Commissioned Officers									
O-10 General	3	0	0	2	0	0	3	0	0
O-9 Lieutenant General	10	0	0	9	0	0	11	0	0
O-8 Major General	26	0	0	29	0	0	26	0	0
O-7 Brigadier General	40	1	0	40	1	0	40	1	0
O-6 Colonel	631	11	5	629	10	8	627	10	7
O-5 Lieutenant Colonel	1,715	33	10	1,777	33	15	1,778	30	14
O-4 Major	3,442	40	38	3,448	41	44	3,450	37	39
O-3 Captain	5,116	22	13	5,093	39	21	5,086	41	21
O-2 First Lieutenant	2,582	4	1	2,614	0	5	2,652	0	5
O-1 Second Lieutenant	2,520	2	0	2,411	1	4	2,421	1	4
Sub Total	16,085	113	67	16,052	125	97	16,094	120	90
Warrant Officers									
W-5 Chief Warrant Officer	85	1	1	92	0	0	96	0	0
W-4 Chief Warrant Officer	260	4	3	288	4	1	302	3	1
W-3 Chief Warrant Officer	570	2	3	595	2	1	579	0	1
W-2 Chief Warrant Officer	675	2	0	588	2	1	586	2	0
W-1 Warrant Officer	290	2	0	295	1	0	296	1	0
Sub Total	1,880	11	7	1,858	9	3	1,859	6	2
Total Officers	17,965	124	74	17,910	134	100	17,953	126	92
Enlisted Personnel									
E-9 Sergeant Major/Master Gunnery Sgt	1,356	6	0	1,281	11	0	1,217	11	1
E-8 First Sergeant/Master Sergeant	3,228	10	1	3,374	17	10	3,422	15	9
E-7 Gunnery Sergeant	8,639	36	6	8,833	34	14	8,890	34	13
E-6 Staff Sergeant	13,953	46	10	14,376	43	20	14,407	42	24
E-5 Sergeant	22,244	66	12	23,300	68	47	22,897	66	45
E-4 Corporal	29,296	54	11	29,855	82	57	29,644	82	59
E-3 Lance Corporal	44,405	28	35	42,871	7	68	42,586	7	71
E-2 Private First Class	19,993	11	1	19,274	0	20	19,144	0	19
E-1 Private	12,446	1	0	12,000	0	3	11,919	0	3
Total Enlisted	155,560	258	76	155,164	262	239	154,126	257	244
Total Average Strength	173,525	382	150	173,074	396	339	172,079	383	336

**MILITARY PERSONNEL, MARINE CORPS
ACTIVE DUTY STRENGTHS BY MONTH 1/
(IN THOUSANDS)**

	<u>FY 1997</u>			<u>FY 1998</u>			<u>FY 1999</u>		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
September	17.9	157.0	174.9	17.8	156.1	173.9	17.9	155.1	173.0
October	17.7	157.2	174.9	17.6	155.9	173.5 <u>2/</u>	17.7	154.8	172.5
November	17.8	157.1	174.8	17.5	156.1	173.6	17.8	154.8	172.6
December	17.9	155.7	173.6	17.7	155.5	173.3	17.7	154.8	172.6
January	17.8	156.5	174.3	17.7	156.1	173.8	17.8	154.8	172.6
February	17.9	155.5	173.4	17.8	155.4	173.2	17.9	154.3	172.1
March	17.9	155.2	173.0	17.7	154.9	172.6	17.8	153.8	171.6
April	18.0	153.9	171.9	17.9	154.1	172.0	17.9	153.3	171.2
May	18.0	153.1	171.1	18.1	153.6	171.7	18.0	152.7	170.7
June	18.1	154.2	172.3	18.0	154.0	172.0	18.1	153.5	171.5
July	17.9	155.0	172.9	17.8	154.8	172.6	17.9	153.5	171.5
August	17.9	156.1	174.0	18.0	154.8	172.8	17.9	153.4	171.3
September	17.8	156.1	173.9	17.9	155.1	173.0	17.9	154.3	172.2
Average Strength	18.0	155.6	173.5	17.9	155.2	173.1	18.0	154.1	172.1

Average Strength shown above includes ADSW Workyears (not in thousands):

Average Strength	74	76	150	100	239	339	92	244	336
Cost Associated	\$6,264	\$2,207	\$8,471	\$8,188	\$7,196	\$15,384	\$7,708	\$7,648	\$15,356

1. Includes reimbursable active duty military pay strengths, but excludes active duty personnel paid from Civil functions, Reserve and National Guard Appropriations. ADSW for Bosnia and Miramar are reflected in monthly strength and average strength rows. Other categories of ADSW (for less than 180 days) are reflected only in the average strength row.

2. Actual strength through October.

MILITARY PERSONNEL, MARINE CORPS
GAINS AND LOSSES BY SOURCE AND TYPE

<u>OFFICERS</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>
Beginning Strength	17,931	17,825	17,886
<u>Gains:</u>			
Service Academies	161	152	160
Reserve Officer Training Corps	151	202	184
Scholarship	146	192	174
Non Scholarship	5	10	10
Platoon Leaders Class	528	200	488
Reserve Officer Candidate	388	600	355
Other Enlisted Commissioning Programs	140	256	156
Warrant Officer Program	196	200	200
Inter-Service Transfer	16	14	10
Other	66	72	38
Active Duty Special Work	79	96	84
Gain Adjustments	<u>-30</u>	<u>23</u>	<u>0</u>
Total Gains	1,695	1,815	1,675
<u>Losses:</u>			
Expiration of Contract/Obligation	298	337	389
Normal Early Release	0	0	0
Retirement	757	736	680
Disability	33	37	37
Non Disability	724	699	643
Early	0	0	0
Voluntary Separation Incentive (VSI)	0	0	0
Special Separation Benefit (SSB)	0	0	0
Involuntary Separation - Reserve Officers	244	180	80
Involuntary Separation - Regular Officers	74	54	94
Attrition	301	317	300
Other	54	36	48
Active Duty Special Work	73	94	92
Loss Adjustments	<u>0</u>	<u>0</u>	<u>0</u>
Total Losses	1,801	1,754	1,683
End Strength	17,825	17,886	17,878

Active Duty Special Work includes average number of Reservists recalled to active duty for short tours of duty (less than 180 days).

**MILITARY PERSONNEL, MARINE CORPS
GAINS AND LOSSES BY SOURCE AND TYPE**

<u>ENLISTED</u>	<u>FY1997</u>	<u>FY1998</u>	<u>FY1999</u>
Beginning Strength	156,952	156,081	155,101
<u>Gains</u>			
Non-Prior Service Enlistments	34,483	33,927	34,968
Male	(32,004)	(31,377)	(32,178)
Female	(2,479)	(2,550)	(2,790)
Prior Service Enlistments	99	5	0
Reenlistments	13,486	15,192	14,947
Reserves	99	73	55
Officer Candidate Programs	758	739	549
Returned from Dropped from the Rolls	1,375	1,375	1,375
Other	11	0	0
Gain Adjustments	0	0	0
Active Duty Special Work	<u>132</u>	<u>229</u>	<u>96</u>
Total Gains	50,443	51,540	51,990
<u>Losses</u>			
EAS	18,615	18,025	18,589
Normal Early Release	810	810	810
Separations - VSI	0	0	0
Separations - SSB	0	0	0
To Commissioned Officer	608	813	664
To Warrant Officer	199	200	200
Reenlistments	13,486	15,192	14,947
Retirements	2,725	2,725	2,725
Early Retirements	(0)	(0)	(0)
Dropped from Rolls (Deserters)	1,375	1,375	1,375
Attrition (Adverse Causes)	4,080	4,045	4,038
Attrition (Other)	9,336	9,285	9,146
Other	0	0	0
Loss Adjustments	0	(52)	0
Active Duty Special Work	<u>80</u>	<u>102</u>	<u>275</u>
Total Losses	51,314	52,520	52,769
End Strength	156,081	155,101	154,322

Active Duty Special Work includes average number of Reservists recalled to active duty for short tours of duty (less than 180 days).

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(\$ in Thousands)

	FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
1. BASIC PAY	\$733,642	\$2,489,100	\$3,222,742	\$755,565	\$2,582,009	\$3,337,574	\$780,978	\$2,638,628	\$3,419,606
2. RETIRED PAY ACCRUAL	\$239,168	809,446	\$1,048,614	\$230,449	\$785,587	\$1,016,036	\$235,855	\$794,902	\$1,030,757
3. BASIC ALLOWANCE FOR QUARTERS	\$92,708	\$282,532	\$375,240	\$23,513	\$72,702	\$96,215	\$0	\$0	\$0
a. With Dependents	71,812	245,926	317,738	18,270	63,202	81,472	0	0	0
b. Without Dependents	20,668	29,155	49,823	5,187	7,664	12,851	0	0	0
c. Substandard Family Housing	0	138	138	0	35	35	0	0	0
d. Partial	228	7,313	7,541	56	1,801	1,857	0	0	0
4. VARIABLE HOUSING ALLOWANCE	\$30,938	\$81,784	\$112,722	\$7,709	\$21,070	\$28,779	\$0	\$0	\$0
4.1. BASIC ALLOWANCE FOR HOUSING	\$0	\$0	\$0	\$95,740	\$288,143	\$383,883	\$132,455	\$401,062	\$533,517
a. With Dependents	0	0	0	73,001	249,819	322,820	104,412	349,465	453,877
b. Without Dependents	0	0	0	22,574	32,813	55,387	27,822	44,299	72,121
c. Substandard Family Housing	0	0	0	0	107	107	0	146	146
d. Partial	0	0	0	165	5,404	5,569	221	7,152	7,373
5. SUBSISTENCE	\$32,992	\$341,795	\$374,787	\$33,381	\$351,108	\$384,489	\$33,795	\$362,443	\$396,238
a. Basic Allowance for Subsistence	32,992	207,154	240,146	33,381	219,329	252,710	33,795	228,436	262,231
(1) Authorized to Mess Separately	32,992	152,040	185,032	33,381	156,565	189,946	33,795	157,077	190,872
(2) Leave Rations	0	27,713	27,713	0	28,514	28,514	0	28,585	28,585
(3) Rations-In-Kind Not Available	0	27,401	27,401	0	28,518	28,518	0	28,634	28,634
(3) Partial	0	0	0	0	5,732	5,732	0	14,140	14,140
b. Subsistence-in-Kind	0	134,641	134,641	0	131,779	131,779	0	134,007	134,007
(1) Subsistence in Messes	0	66,866	66,866	0	66,141	66,141	0	66,617	66,617
(2) Operational Rations	0	53,111	53,111	0	49,315	49,315	0	49,722	49,722
(3) Augmentation	0	2,764	2,764	0	2,822	2,822	0	2,864	2,864
(4) Other Programs	0	1,170	1,170	0	1,193	1,193	0	1,212	1,212
(5) Sale of Meals	0	10,730	10,730	0	12,308	12,308	0	13,592	13,592
6. INCENTIVE PAY, HAZARDOUS DUTY AND AVIATION CAREER	\$32,202	\$6,159	\$38,361	\$36,059	\$7,492	\$43,551	\$39,657	\$8,376	\$48,033
a. Flying Duty Pay	31,865	3,122	34,987	35,605	3,472	39,077	39,183	3,543	42,726
1. ACIP, Officers	23,253	0	23,253	23,201	0	23,201	25,313	0	25,313
2. Crew Members	100	2,425	2,525	100	2,564	2,664	100	2,593	2,693
3. Noncrew Member	40	697	737	52	908	960	54	950	1,004
4. Avn Cont. Bonus	8,472	0	8,472	12,252	0	12,252	13,716	0	13,716
b. Parachute Jumping Pay	189	1,048	1,237	248	1,366	1,614	259	1,429	1,688
c. Demolition Pay	49	409	458	69	533	602	72	558	630
d. Flight Deck Duty Pay	40	1,188	1,228	52	1,548	1,600	54	1,620	1,674
e. HALO Pay	59	392	451	85	573	658	89	807	896
f. Firefighter Pay	0	0	0	0	0	0	0	419	419

	FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
7. SPECIAL PAYS	\$1,192	\$47,057	\$48,249	\$1,023	\$54,382	\$55,405	\$938	\$56,918	\$57,856
a. Sea & Foreign Duty Pay	152	3,324	3,476	152	3,324	3,476	152	3,324	3,476
1. Sea Duty	152	2,543	2,695	152	2,543	2,695	152	2,543	2,695
2. Duty at Certain Places	0	459	459	0	459	459	0	459	459
3. Overseas Exten. Pay	0	322	322	0	322	322	0	322	322
b. Diving Duty Pay	144	987	1,131	226	1,096	1,322	226	1,258	1,484
c. Other Special Pay	734	4,514	5,248	418	4,471	4,889	301	4,343	4,644
d. Foreign Language Pro Pay	149	306	455	216	405	621	245	455	700
e. Special Duty Assignment Pay	0	19,428	19,428	0	20,229	20,229	0	20,229	20,229
f. Reenlistment Bonus	0	14,883	14,883	0	19,773	19,773	0	22,225	22,225
1. First Installation	0	7,695	7,695	0	12,853	12,853	0	13,252	13,252
2. Lump Sum Payments	0	0	0	0	0	0	0	0	0
3. Obligated Installments	0	7,188	7,188	0	6,920	6,920	0	8,973	8,973
g. Enlistment Bonus	0	3,615	3,615	0	5,084	5,084	0	5,084	5,084
h. Personal Money Allowance General & Flag Officers	13	0	13	11	0	11	14	0	14
8. ALLOWANCES	\$20,314	\$143,875	\$164,189	\$20,929	\$154,468	\$175,397	\$18,583	\$148,132	\$166,715
a. Uniform/Clothing Allowance	532	66,929	67,461	540	74,780	75,320	528	76,519	77,047
1. Initial Issue									
a. Military	313	29,469	29,782	322	32,592	32,914	309	34,009	34,318
b. Civilian	64	1,211	1,275	67	1,247	1,314	68	1,267	1,335
2. Additional	155	0	155	151	0	151	151	0	151
3. Basic Maintenance	0	11,869	11,869	0	13,111	13,111	0	13,160	13,160
4. Standard Maintenance	0	20,779	20,779	0	24,434	24,434	0	24,636	24,636
5. Supplementary	0	3,326	3,326	0	3,396	3,396	0	3,447	3,447
6. Advance funding	0	275	275	0	0	0	0	0	0
b. Overseas Station Allowance	18,088	65,325	83,413	18,299	64,881	83,180	16,024	56,868	72,892
1. Cost-of-Living Bachelor	52	22,756	22,808	49	22,605	22,654	43	19,842	19,885
2. Cost-of-Living Regular	13,118	31,116	44,234	13,075	30,911	43,986	11,477	27,133	38,610
3. Rent Plus	2,398	3,182	5,580	2,372	3,161	5,533	2,064	2,751	4,815
4. Temporary Lodging	2,520	8,271	10,791	2,803	8,204	11,007	2,440	7,142	9,582
c. CONUS Cost of Living Allowance (COLA)	539	2,062	2,601	579	2,105	2,684	599	2,169	2,768
d. Family Separation Allowance	1,155	9,559	10,714	1,511	12,702	14,213	1,432	12,576	14,008
1. On PCS, Dependents Not Authorized	345	5,522	5,867	432	7,320	7,752	353	7,194	7,547
2. Afloat	122	165	287	162	220	382	162	220	382
3. On TDY	688	3,872	4,560	917	5,162	6,079	917	5,162	6,079

	FY 1997			FY 1998			FY 1999		
	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL	OFFICERS	ENLISTED	TOTAL
9. SEPARATION PAYMENTS	\$20,686	\$58,743	\$79,429	\$18,495	\$60,291	\$78,786	\$15,288	\$62,104	\$77,392
a. Terminal Leave Pay	4,220	20,088	24,308	5,726	20,578	26,304	5,474	21,323	26,797
b. Sev Pay, Disability	710	20,767	21,477	686	21,348	22,034	707	22,010	22,717
c. Donations	0	10	10	0	10	10	0	10	10
d. Severance Pay, Nondisability									
Invol - Half Pay (5%)	207	4,442	4,649	160	4,566	4,726	137	4,707	4,844
Invol - Full Pay (10%)	15,118	12,567	27,685	11,492	12,920	24,412	8,605	13,319	21,924
Vol - SSB Pay (15%)	0	0	0	0	0	0	0	0	0
e. Voluntary Separation Incentive									
Initial Payments	0	0	0	0	0	0	0	0	0
Trust Fund Payments	431	869	1,300	431	869	1,300	365	735	1,100
f. Early Retirement	0	0	0	0	0	0	0	0	0
10. SOCIAL SECURITY TAX PAYMENTS	\$62,737	\$215,417	\$278,154	\$64,272	\$221,608	\$285,880	\$65,947	\$224,831	\$290,778
11. PERMANENT CHANGE OF STATION TRAVEL	\$52,205	\$172,158	\$224,363	\$50,866	\$170,624	\$221,490	\$52,594	\$175,160	\$227,754
a. Accession Travel	2,847	25,790	28,637	3,140	25,812	28,952	3,117	26,979	30,096
b. Training Travel	3,246	1,343	4,589	3,603	1,412	5,015	3,637	1,434	5,071
c. Operation Travel	22,682	37,801	60,483	18,974	33,044	52,018	19,696	33,299	52,995
d. Rotation Travel	15,335	66,227	81,562	17,005	67,230	84,235	17,970	69,611	87,581
e. Separation Travel	6,023	35,250	41,273	5,909	35,400	41,309	5,891	36,123	42,014
f. Travel of Organized Units	75	440	515	92	552	644	213	558	771
g. Non-Temporary Storage	1,120	2,472	3,592	1,249	3,456	4,705	1,251	3,475	4,726
h. Temporary Lodging Expense	728	1,316	2,044	749	2,205	2,954	665	2,137	2,802
i. In-place Consecutive Overseas Tours and Overseas Tour Extension Incentive Program	149	1,519	1,668	145	1,513	1,658	154	1,544	1,698
12. OTHER MILITARY PERSONNEL COSTS	\$96	\$37,856	\$37,952	\$144	\$36,784	\$36,928	\$3,144	\$52,335	\$55,479
a. Apprehension of Deserters	0	900	900	0	913	913	0	927	927
b. Interest on Soldier Deposit	0	16	16	0	16	16	0	16	16
c. Death Gratuities	96	834	930	144	840	984	144	846	990
d. Unemployment Comp	0	28,795	28,795	0	27,846	27,846	0	27,846	27,846
e. Survivors Benefits	0	1,980	1,980	0	2,068	2,068	0	1,614	1,614
f. Educational Benefits	0	5,286	5,286	0	5,055	5,055	0	6,039	6,039
g. Adoption Reimb Program	0	45	45	0	46	46	0	47	47
h. Advanced Pay	0	0	0	0	0	0	3,000	15,000	18,000
13. TOTAL MILITARY PERSONNEL APPROPRIATIONS	\$1,318,880	\$4,685,922	\$6,004,802	\$1,338,145	\$4,806,268	\$6,144,413	\$1,379,234	\$4,924,891	\$6,304,125
14. LESS REIMBURSABLES	\$10,523	\$18,191	\$28,714	\$10,792	\$20,309	\$31,101	\$10,449	\$21,587	\$32,036
a. Retired Pay Accrual	2,233	1,670	3,903	2,241	1,714	3,955	2,159	1,719	3,878
b. Other Pay and Allowances	8,290	16,521	24,811	8,551	18,595	27,146	8,290	19,868	28,158
TOTAL, DIRECT MILITARY PERSONNEL APPROPRIATIONS	\$1,308,357	\$4,667,731	\$5,976,088	\$1,327,353	\$4,785,959	\$6,113,312	\$1,368,785	\$4,903,304	\$6,272,089

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLMENTAL REQUIREMENTS
MILITARY PERSONNEL, MARINE CORPS
FY98
(DOLLARS IN THOUSANDS)

	FY98 COLUMN OF THE FY98/99 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUBTOTAL	INTERNAL REALIGNMENT/ REPROGRAMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN OF THE FY 1999 PRESIDENT'S BUDGET
PAY AND ALLOWANCES OF OFFICERS							
Basic Pay	\$749,684	(\$2,606)	\$747,078	\$1,122	\$748,200		\$748,200
Retired Pay Accrual	228,749	(795)	227,954	254	228,208		228,208
Incentive Pay	32,779		32,779	3,230	36,009		36,009
Special Pay	969		969	35	1,004		1,004
Basic Allowance for Quarters	96,000		96,000	(72,544)	23,456		23,456
Variable Housing Allowance	33,184		33,184	(25,488)	7,696		7,696
Basic Allowance for Housing	0		0	95,599	95,599		95,599
Basic Allowance for Subsistence	33,485		33,485	(151)	33,334		33,334
Station Allowance Overseas	22,352	(252)	22,100	(3,826)	18,274		18,274
CONUS Cost of Living Allowance (COLA)	579		579	0	579		579
Uniform Allowance	522		522	18	540		540
Family Separation Allowance	1,154	383	1,537	(26)	1,511		1,511
Separation Payments	22,441		22,441	(3,946)	18,495		18,495
Employer's Contribution to FICA	63,659	(199)	63,460	204	63,664		63,664
Reimbursables	10,916		10,916	(350)	10,566		10,566
TOTAL OBLIGATIONS	\$1,296,473	(\$3,469)	\$1,293,004	(\$5,869)	\$1,287,135	\$0	\$1,287,135
LESS REIMBURSABLES	10,916	0	10,916	(350)	10,566	0	10,566
TOTAL DIRECT PROGRAM	\$1,285,557	(\$3,469)	\$1,282,088	(\$5,519)	\$1,276,569	\$0	\$1,276,569

	FY98 COLUMN OF THE FY98/99 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUBTOTAL	INTERNAL REALIGNMENT/ REPROGRAMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN OF THE FY 1999 PRESIDENT'S BUDGET
PAY AND ALLOWANCES OF ENLISTED							
Basic Pay	\$2,571,653	\$941	\$2,572,594	\$3,796	\$2,576,390		\$2,576,390
Retired Pay Accrual	781,748	287	782,035	1,838	783,873		783,873
Incentive Pay	6,319		6,319	1,173	7,492		7,492
Special Pay	10,137		10,137	(842)	9,295		9,295
Special Duty Pay	19,149		19,149	1,080	20,229		20,229
Reenlistment Bonus	20,881		20,881	(1,108)	19,773		19,773
Enlistment Bonus	5,084		5,084	0	5,084		5,084
Basic Allowance for Quarters	300,258		300,258	(227,575)	72,683		72,683
Variable Housing Allowance	84,994		84,994	(63,930)	21,064		21,064
Basic Allowance for Housing	0		0	288,071	288,071		288,071
Station Allowance Overseas	79,456	(748)	78,708	(13,836)	64,872		64,872
CONUS Cost of Living Allowance (COLA)	2,031		2,031	74	2,105		2,105
Uniform Allowance	72,321		72,321	2,459	74,780		74,780
Family Separation Allowance	9,669	3,217	12,886	(184)	12,702		12,702
Separation Payments	70,925		70,925	(10,634)	60,291		60,291
Employer's Contribution to FICA	220,607	72	220,679	459	221,138		221,138
Reimbursables	7,911		7,911	(1)	7,910		7,910
TOTAL OBLIGATIONS	\$4,263,143	\$3,769	\$4,266,912	(\$19,160)	\$4,247,752	\$0	\$4,247,752
LESS REIMBURSABLES	7,911	0	7,911	(1)	7,910	0	7,910
TOTAL DIRECT PROGRAM	\$4,255,232	\$3,769	\$4,259,001	(\$19,159)	\$4,239,842	\$0	\$4,239,842
=====							
SUBSISTENCE OF ENLISTED PERSONNEL							
Basic Allowance for Subsistence	\$224,550		\$224,550	(\$5,247)	\$219,303		\$219,303
Subsistence in Kind	115,718		115,718	3,753	119,471		119,471
Reimbursables	10,982		10,982	1,352	12,334		12,334
TOTAL OBLIGATIONS	\$351,250	\$0	\$351,250	(\$142)	\$351,108	\$0	\$351,108
LESS REIMBURSABLES	10,982	0	10,982	1,352	12,334	0	12,334
TOTAL DIRECT PROGRAM	\$340,268	\$0	\$340,268	(\$1,494)	\$338,774	\$0	\$338,774
=====							

	FY98 COLUMN OF THE FY98/99 PRESIDENT'S BUDGET	CONGRESSIONAL ACTION	SUBTOTAL	INTERNAL REALIGNMENT/ REPROGRAMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN OF THE FY 1999 PRESIDENT'S BUDGET
PERMANENT CHANGE OF STATION							
Accession Travel	\$30,870		\$30,870	(\$1,918)	\$28,952		\$28,952
Training Travel	5,011		5,011	4	5,015		5,015
Operational Travel	51,454		51,454	516	51,970		51,970
Rotational Travel	85,530		85,530	(1,538)	83,992		83,992
Separation Travel	42,920		42,920	(1,611)	41,309		41,309
Travel of Organized Units	137		137	507	644		644
Non-Temporary Storage	5,575		5,575	(870)	4,705		4,705
Temporary Lodging Expense	1,848		1,848	1,106	2,954		2,954
IPCOT/OTEIP	2,060		2,060	(402)	1,658		1,658
Reimbursables	309		309	(18)	291		291
TOTAL OBLIGATIONS	\$225,714	\$0	\$225,714	(\$4,224)	\$221,490	\$0	\$221,490
LESS REIMBURSABLES	309	0	309	(18)	291	0	291
TOTAL DIRECT PROGRAM	\$225,405	\$0	\$225,405	(\$4,206)	\$221,199	\$0	\$221,199
OTHER MILITARY PERSONNEL COSTS							
Apprehension of Deserters	\$1,078		\$1,078	(\$165)	\$913		\$913
Interest on Soldier Deposit	12		12	4	16		16
Death Gratuities	978		978	6	984		984
Unemployment Compensation	32,034	(10,000)	22,034	5,812	27,846		27,846
Survivor Benefits	1,740		1,740	328	2,068		2,068
Adoption Reimbursement Program	79		79	(33)	46		46
Educational Benefits	5,216		5,216	(161)	5,055		5,055
Reimbursables	0		0	0	0		0
TOTAL OBLIGATIONS	\$41,137	(\$10,000)	\$31,137	\$5,791	\$36,928	\$0	\$36,928
LESS REIMBURSABLES	0	0	0	0	0	0	0
TOTAL DIRECT PROGRAM	\$41,137	(\$10,000)	\$31,137	\$5,791	\$36,928	\$0	\$36,928
TOTAL MPMC OBLIGATIONS	\$6,177,717	(\$9,700)	\$6,168,017	(\$23,604)	\$6,144,413	\$0	\$6,144,413
LESS REIMBURSABLES	\$30,118	\$0	\$30,118	\$983	\$31,101	\$0	\$31,101
TOTAL MPMC DIRECT PROGRAM 1/	\$6,147,599	(\$9,700)	\$6,137,899	(\$24,587)	\$6,113,312	\$0	\$6,113,312

1/ Reflects a \$4.0M reduction for Overseas Station Allowance taken subsequent to the submission of the February 1997 President's Budget.

MILITARY PERSONNEL, MARINE CORPS
SCHEDULE OF INCREASES AND DECREASES
(IN THOUSANDS OF DOLLARS)

FY 1998 TOTAL DIRECT PROGRAM	AMOUNT \$6,113,312
INCREASES:	
Basic Pay - The increase in basic pay is primarily attributed to changes in longevity and grade structure, the increase in officer average strength of 43, the annualization of the FY 1998 pay raise, and the FY 1999 pay raise, offset by the decrease in enlisted average strength of 1,038.	\$82,154
Basic Allowance for Subsistence - This increase is attributed to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, and the increase in partial BAS, offset by the decrease in average enlisted strength.	9,535
Subsistence in Kind - This increase is attributed to inflation, offset by a decrease in average strength and rations.	944
Death Gratuities- The increase is due to a projected increase in the number of deaths.	6
Incentive Pay - This increase is due to an increase in the authorized monthly rate for aviation career incentive pay and other incentive pays, an increase in the number of aviation continuation bonus anniversary payments, and an increase in the number of enlisted High Altitude/Low Opening (HALO) payments, offset by a decrease in new aviation continuation bonus payments.	4,481
Educational Benefits - This increase is the result of increased actuarial rates.	984
CONUS Cost of Living Allowance - This increase is attributed to the annualization of the FY 1998 pay raise and the FY 1999 pay raise.	84
Basic Allowance for Housing - This increase reflects a full year's BAH cost and includes annualization of the FY 1998 housing rate increase, the FY 1999 housing rate increase, and a decrease in the availability of government quarters. This increase is offset by a decrease in enlisted average strength.	149,583

INCREASES (Con.)

Federal Insurance Contribution Act - This increase is due to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, and the increase in the base amount to which the FICA rate is applied, offset by a decrease in average enlisted strength and a decrease in FICA nonwage credits.	4,911
Adoption Reimbursement Program - This increase is attributed to inflation.	1
Apprehension of Military Deserters - This increase is based on inflation applied to the travel of guards and to subsistence cost.	14
Reenlistment Bonus - This increase is the result of the increase in anniversary payments and the FY 1999 pay raise.	2,452
Retired Pay Accrual - This increase is attributed to the annualization of the FY 1998 pay raise, and the FY 1999 pay raise, offset by decreases in the actuary Normal Cost Percentage (NCP) and average enlisted strength.	14,798
Special Pay - This increase is the result of the increase in enlisted diving duty billets and foreign language proficiency pay, offset by a decrease in other special pay.	4
Permanent Change of Station - This increase is due to the projected inflation, the annualization of the FY 1998 pay raise, the FY 1999 pay raise, and an increase in the number of accession, training, and operational moves, offset by a decrease in rotational, separation, and unit moves.	6,334
Advanced Pay - This increase is based on a revised approach in the obligation of advanced pay.	18,000
Clothing Allowance - This increase results from the increase in initial issues, and the FY 1999 inflation factors, offset by the decrease in maintenance allowance payments.	1,727
TOTAL INCREASES:	\$296,012

DECREASES:

Overseas Station Allowance - This decrease is primarily associated with favorable currency exchange rates, offset by annualization of the FY 1998 pay raise, the FY 1999 pay raise, and inflation factors applied to housing and temporary lodging allowances.	(10,283)
Separation Pay - This decrease is the result of the decrease in the number of officer lump sum leave and involuntary separation payments, and a decrease in the VSI Trust Fund payment, offset by the FY 1999 pay raise.	(1,394)
Basic Allowance for Quarters - This decrease reflects the elimination of BAQ effective 1 January 1998.	(96,139)
Variable Housing Allowance - This decrease reflects the elimination of VHA effective 1 January 1998.	(28,760)
Family Separation Allowance - This decrease is the result of a decrease in unaccompanied tours.	(205)
Survivor Benefits - This decrease is the result of a decrease in the Veteran's Administration projection.	(454)

TOTAL DECREASES: (\$137,235)

FY 1999 TOTAL DIRECT PROGRAM: \$6,272,089

MILITARY PERSONNEL, MARINE CORPS
SCHEDULE OF INCREASES AND DECREASES
PAY AND ALLOWANCES OF OFFICERS
(IN THOUSANDS OF DOLLARS)

BUDGET ACTIVITY 1	Amount
FY 1998 DIRECT PROGRAM	\$1,276,569
Basic Pay - This increase is a result of the annualization of the FY 1998 pay raise, the FY 1999 pay raise (\$22,939) and increases in grade structure (\$31), longevity (\$633), and average strength (\$2,007).	\$25,610
Retired Pay Accrual- This increase is due to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, offset by a decrease in the Actuary Normal Cost Percentage (NCP).	5,488
Basic Allowance for Housing - This increase reflects a full year's BAH cost and includes annualization of the FY 1998 housing rate increase, the FY 1999 housing rate increase, and a decrease in the availability of government quarters.	36,659
Incentive Pay - This increase is a result of an increase in the authorized monthly rate for aviation career incentive pay and hazardous duty pay from \$110 to \$150, offset by a decrease in new payments.	3,597
Basic Allowance for Subsistence - This increase is attributed to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, and an increase in average strength.	418
CONUS Cost of Living Allowance - This increase is due to the annualization of the FY 1998 pay raise, the FY 1999 pay raise.	20
Federal Insurance Contribution Act - This increase is the result of the annualization of the FY 1998 pay raise, the FY 1999 pay raise, the increase in the base amount to which the FICA rate is applied, offset by a decrease in service credits.	1,694
TOTAL INCREASES:	\$73,486

DECREASES:

Special Pay -	(\$80)
This decrease is due to a decrease in other special pay.	
Overseas Station Allowances -	(2,275)
This increase is attributed to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, the inflation applied to housing and the temporary lodging allowance.	
Uniform Allowance -	(12)
This decrease is attributed to a decrease in additional uniform allowances offset by an increase in civilian clothing allowances .	
Family Separation Allowance -	(79)
This decrease is the result of a decrease in unaccompanied billets.	
Separation Payments -	(3,207)
This decrease is attributed to a decrease in involuntary separation payments and a decrease in lump sum terminal leave payments, a decrease in the VSI payment, offset by the FY 1999 pay raise.	
Basic Allowance for Quarters -	(23,456)
This decrease reflects the eliminatio of BAQ effective 1 January 1998.	
Variable Housing Allowance -	(7,696)
This decrease reflects the elimination of VHA effective 1 January 1998.	

TOTAL DECREASES:	(\$36,805)
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FY 1999 TOTAL DIRECT PROGRAM	\$1,313,250
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PROJECT: A. Basic Pay - Officers

FY 1997 Actual	\$733,642
FY 1998 Estimate	\$755,565
FY 1999 Estimate	\$780,978

PART I - PURPOSE AND SCOPE

Funds requested provide basic compensation for officers on active duty according to rank and length of service under provisions of (37 U.S.C. 201, 204, 205, and P.L. 97-37). The estimate excludes those officers on active duty at the seat of Government and at Headquarters responsible for Reserve Affairs (10 U.S.C. 265) those officers of the Reserve Component on active duty serving in connection with the organizing, administering, recruiting, instructing, and training of the Reserve Components (10 U.S.C. 672D and 678).

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1999 program is based on a beginning strength of 17,886 and an end strength of 17,878 with 17,953 average strength. Costs are determined on the basis of a grade distribution by longevity for each fiscal year. The average rates utilized are derived from a consideration of the latest longevity adjusted by planned gains and losses for respective years.

The computation of fund requirements is shown in the following tables.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount
Commandant of the Marine Corps	1	\$108,201.60	\$108	1	\$110,473.83	\$110	1	\$113,817.37	\$114
General	2	108,201.60	216	1	110,473.83	\$110	2	113,817.37	228
Lieutenant General	10	106,584.00	1,066	9	109,621.33	\$987	11	112,938.55	1,242
Major General	26	96,570.92	2,511	29	99,321.93	\$2,880	26	102,328.15	2,661
Brigadier General	40	85,226.10	3,409	40	87,655.80	\$3,506	40	90,308.70	3,612
Colonel	631	72,025.46	45,448	629	73,689.67	\$46,351	627	75,624.48	47,417
Lieutenant Colonel	1,715	59,692.31	102,372	1,777	61,393.01	\$109,095	1,778	63,293.16	112,535
Major	3,442	48,579.11	167,209	3,448	49,924.97	\$172,141	3,450	51,596.68	178,009
Captain	4,239	39,172.84	166,054	4,269	40,283.31	\$171,969	4,213	41,600.08	175,261
First Lieutenant	2,357	31,121.31	73,353	2,329	32,007.26	\$74,545	2,310	32,870.99	75,932
Second Lieutenant	2,208	22,822.55	50,392	2,092	23,475.87	\$49,112	2,120	24,219.53	51,345
Total Commissioned	14,671	\$41,724.35	\$612,138	14,624	\$43,134.98	\$630,806	14,578	\$44,474.96	\$648,356

(In Thousands of Dollars)

PROJECT: A. Basic Pay (con.)	FY 1997 Estimate			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount
With Enlisted Service									
Captain	877	44,464.17	\$38,995	824	45,730.14	\$37,682	873	47,115.71	\$41,132
First Lieutenant	225	35,757.28	8,045	285	36,761.98	10,477	342	37,974.98	12,987
Second Lieutenant	312	28,860.54	9,004	319	29,678.29	9,467	301	30,563.76	9,200
Total Commissioned w/Enl Svc	1,414	\$39,635.08	\$56,044	1,428	\$40,354.34	\$57,626	1,516	\$41,767.15	\$63,319
Warrant Officers									
W-5	85	50,080.80	\$4,257	92	51,220.57	\$4,712	96	52,525.50	\$5,042
W-4	260	43,530.92	11,318	288	44,572.21	12,837	302	45,838.53	13,843
W-3	570	36,361.71	20,726	595	37,400.29	22,253	579	38,532.91	22,311
W-2	675	31,306.52	21,132	588	32,201.29	18,934	586	33,192.02	19,451
W-1	290	27,679.61	8,027	295	28,465.46	8,397	296	29,243.19	8,656
Total Warrant Officers	1,880	\$34,819.15	\$65,460	1,858	\$36,131.86	\$67,133	1,859	\$37,279.72	\$69,303
Total Officers	17,965	\$40,837.29	\$733,642	17,910	\$42,186.77	\$755,565	17,953	\$43,501.25	\$780,978

Change from FY 1998 to FY 1999: Officer basic pay increases \$25,413, from \$755,565 in FY 1998 to \$780,978 in FY 1999. This increase is a result of the annualization of the FY 1998 pay raise and the FY 1999 pay raise (\$22,939), grade structure (\$35), longevity (\$633) and average strength (\$1,806).

PROJECT: B. Retired Pay Accrual - Officer

FY 1997 Actual	\$239,168
FY 1998 Estimate	\$230,449
FY 1999 Estimate	\$235,855

PART I - PURPOSE AND SCOPE

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with Title 10 U.S.C. 1466, as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The budgetary estimates are derived as a product of:

- (a) Detailed cost computation based on the normal cost percentage (NCP) 32.6% for FY 1997, 30.5% for FY 1998, and 30.2% for FY 1999.
- (b) The total amount of basic pay expected to be paid during the Fiscal Year to members of the armed forces.

(In Thousands of Dollars)

FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Number	Avg. Rate	Amount	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount
17,965	\$13,313.00	\$239,168	17,910	\$12,867.06	\$230,449	17,953	\$13,137.36	\$235,855

Change from FY 1998 to FY 1999: The increase of \$5,406 from \$230,449 in FY 1998 to \$235,855 in FY 1999 is associated with the annualization of the FY 1998 pay raise and the FY 1999 pay raise, offset by a decrease in the retired pay accrual percentage.

PROJECT: C. Incentive Pay - Hazardous Duty

FY 1997 Actual	\$32,202
FY 1998 Estimate	\$36,059
FY 1999 Estimate	\$39,657

PART I - PURPOSE AND SCOPE

The funds requested will provide incentive pay to officers performing hazardous duty as prescribed by United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 5, Special and Incentive Pays. Included in this request are the following types of duties:

- Aviation Career Incentive Pay (ACIP)
To provide additional pay for aviation service to increase the ability of the Marine Corps to attract and retain officer volunteers in an aviation career.
- Flight Pay (Noncrew/Crew Members)
To provide additional pay to help the Marine Corps induce personnel to enter upon and remain in duties involving flying, and in recognition of the more-than-normal hazard of such duties.
- Parachute Duty Pay
To provide additional pay to increase the ability of the Marine Corps to attract and retain volunteers for parachute duty, and in recognition of the more-than-normal hazard of such duty.
- Demolition Duty Pay
To provide additional pay to increase the ability of the Marine Corps to attract and retain personnel for duty involving the demolition or neutralization of explosives.
- Aviation Continuation Bonus (ACB) Pay
To provide additional pay to aviation career officers who extend their period of active duty.
- Flight Deck Duty Pay
To provide additional pay for personnel assigned aboard an air capable ship/aircraft carrier and in recognition of the more-than-normal hazard of such duty.
- High Altitude Low Opening (HALO) Pay
To provide additional pay for personnel who perform duty involving parachute jumping at a high altitude with a low opening.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Hazardous duty pay is computed using the statutory rates and is based on the average number of officers who are eligible for payment. The computation of fund requirements is provided in the following tables:

(In Thousands of Dollars)

	Monthly Rate	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
		Number	Avg. Rate	Amount	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount
Aviation Career Incentive Pay Commissioned Officers										
Phase I Years of Aviation Service										
2 or Less (monthly rate) \$	\$125.00	1,021	\$1,500.00	\$1,532	1,022	\$1,500.00	\$1,533	1,023	\$1,500.00	\$1,535
over 2	\$156.00	342	1,872.00	640	328	1,872.00	614	331	1,872.00	620
over 3	\$188.00	328	2,256.00	740	331	2,256.00	747	325	2,256.00	733
over 4	\$206.00	643	2,472.00	1,589	634	2,472.00	1,567	636	2,472.00	1,572
over 6	\$650.00	1,921	7,800.00	14,984	1,915	7,800.00	14,937	1,490	7,800.00	11,622
over 14	\$840.00	0	0.00	0	0	0.00	0	767	10,080.00	7,731
Phase II Years of Service as an officer										
over 18	\$585.00	293	\$7,020.00	2,057	287	\$7,020.00	2,015	72	\$7,020.00	505
over 20	\$495.00	182	5,940.00	1,081	183	5,940.00	1,087	45	5,940.00	267
over 22	\$585.00	100	4,620.00	462	117	4,620.00	541	76	4,620.00	351
over 23	\$495.00	0	1,485.00	0	0	4,620.00	0	37	5,940.00	220
over 24	\$385.00	22	4,620.00	102	23	4,620.00	106	21	4,620.00	97
over 25	\$250.00	22	3,000.00	66	18	3,000.00	54	20	3,000.00	60
Total ACIP Payments		4,874		23,253	4,858		23,201	4,843		25,313

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount
Flying Duty Noncrewmembers	30	\$1,320.00	\$40	30	\$1,720.00	\$52	30	\$1,800.00	\$54
Flying Duty Crewmembers									
Lieutenant Colonel	5	3,000.00	15	5	3,000.00	15	5	3,000.00	15
Major	6	2,700.00	16	6	2,700.00	16	6	2,700.00	16
Captain	33	2,100.00	69	33	2,100.00	69	33	2,100.00	69
Total Flying Duty Crewmembers	44		\$100	44		\$100	44		\$100
Continuation Bonus									
New Payments Pilots	602	\$12,000.00	7,224	492	\$12,000.00	5,904	219	\$12,000.00	2,628
Naval Flight Officers	0	\$0.00	0	0	\$0.00	0	0	\$0.00	0
Subtotal	602	\$12,000.00	7,224	492	\$12,000.00	5,904	219	\$12,000.00	2,628
Anniversary Payments	208	\$6,000.00	\$1,248	529	\$12,000.00	\$6,348	924	\$12,000.00	\$11,088
Total Continuation Bonus	810		\$8,472	1,021		\$12,252	1,143		\$13,716
Parachute Jumping Duty	143	\$1,320.00	\$189	144	\$1,720.00	\$248	144	\$1,800.00	\$259
Demolition Duty	37	\$1,320.00	\$49	40	\$1,720.00	\$69	40	\$1,800.00	\$72
Flight Deck Duty Pay	30	\$1,320.00	\$40	30	\$1,720.00	\$52	30	\$1,800.00	\$54
HALO Pay	30	\$1,980.00	\$59	33	\$2,580.00	\$85	33	\$2,700.00	\$89
Total Incentive Pay			\$32,202			\$36,059			\$39,657

Change from FY 1998 to FY 1999: Incentive pay increases \$3,598 from \$36,059 in FY 1998 to \$39,657 in FY 1999. This increase is due to rate changes in aviation career incentive pay and hazardous duty pay, offset by a decrease in new payments.

PROJECT: D. Special Pay

FY 1997 Actual	\$1,192
FY 1998 Estimate	\$1,023
FY 1999 Estimate	\$938

PART I - PURPOSE AND SCOPE

The funds requested will provide for special pay in accordance with United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 5, Special and Incentive Pays. Included in this request for special pay are the following:

- Personal Money Allowance

To provide additional payment intended to partially reimburse officers in the grade of Lieutenant General and above for the many unusual expenses incurred in the performance of their official duties.

- Diving Duty Pay

To provide additional payment for officers performing duties involving SCUBA diving.

- Career Sea Pay

To provide additional payment for officers assigned to sea duty.

- Other/Hostile Fire Pay

To provide additional payment for officers performing duties in designated hostile areas.

- Foreign Language Proficiency Pay

To provide additional payment to officers who are proficient in specific foreign languages in accordance with Section 634 of the FY 1987 Department of Defense Authorization Bill.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Special pay is computed by applying statutory rates to the average number of personnel who are eligible for payment.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
General Officer Personal Allowance									
Commandant of the Marine Corps	1	\$4,000.00	\$4	1	\$4,000.00	\$4	1	\$4,000.00	\$4
General	2	2,200.00	4	1	2,200.00	2	2	2,200.00	4
Lieutenant General	10	500.00	5	9	500.00	5	11	500.00	6
Subtotal	13		\$13	11		\$11	14		\$14
Diving Duty Pay	60	2,400.00	144	94	2,400.00	226	94	2,400.00	226
Other Special Pay	408	1,800.00	734	232	1,800.00	418	167	1,800.00	301
Career Sea Pay									
Lieutenant Colonel	3	2,700.00	8	3	2,700.00	8	3	2,700.00	8
Major	5	2,302.00	12	5	2,302.00	12	5	2,302.00	12
Captain	4	1,859.00	7	4	1,859.00	7	4	1,859.00	7
W-4	9	1,800.00	16	9	1,800.00	16	9	1,800.00	16
W-3	12	1,800.00	22	12	1,800.00	22	12	1,800.00	22
W-2	37	1,800.00	67	37	1,800.00	67	37	1,800.00	67
W-1	13	1,560.00	20	13	1,560.00	20	13	1,560.00	20
Subtotal	83		\$152	83		\$152	83		\$152
Foreign Language Proficiency Pay			\$149			\$216			\$245
Total Special Pay			\$1,192			\$1,023			\$938

Change from FY 1998 to FY 1999: Special pay decreases \$85 from \$1,023 in FY 1998 to \$924 in FY 1999. This decrease is due to a decrease in other special pay, offset by an increase in foreign language proficiency pay.

PROJECT E: Basic Allowance for Quarters

FY 1997 Actual	\$92,708
FY 1998 Estimate	\$23,513
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

The funds requested will provide Basic Allowance for Quarters as authorized by United States Code Title 37, Pay and Allowances of the Service's, Chapter 7, Allowances. Included in this request are allowances to military members with or without dependents, partial payment in government quarters, sea duty, or on field duty; and to military members occupying inadequate family housing.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Basic allowance for quarters is determined by multiplying the number of eligible personnel by the statutory rates to which each grade is entitled. The total requirement considers any changes in the projected number of personnel with dependents and the projected number of personnel who will reside in government quarters.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). The FY 1998 BAQ amounts reflect payments for 3 months (October through December 1997). Effective 1 January 1998, the payments are included under BAH.

	FY 1997 Actual			(In Thousands of Dollars) FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
BAQ With Dependents									
General Officers	26	\$12,047.76	\$313	27	\$3,045.60	\$82	0	\$0.00	\$0
Colonel	375	10,848.60	4,068	373	2,742.30	1,023	0	0.00	0
Lieutenant Colonel	1,186	10,457.52	12,403	1,244	2,643.30	3,288	0	0.00	0
Major	2,146	9,217.44	19,781	2,151	2,330.10	5,012	0	0.00	0
Captain	1,946	7,627.20	14,843	1,967	1,927.80	3,792	0	0.00	0
First Lieutenant	599	6,513.60	3,902	586	1,646.10	965	0	0.00	0
Second Lieutenant	436	5,820.96	2,538	407	1,471.50	599	0	0.00	0
Total Commissioned	6,714	\$8,616.03	\$57,848	6,755	\$2,185.20	\$14,761	0	\$0.00	\$0
With Enlisted Service									
Captain	544	8,196.96	\$4,459	496	2,071.80	\$1,028	0	\$0.00	\$0
First Lieutenant	107	7,396.32	791	156	1,869.30	292	0	0.00	0
Second Lieutenant	165	6,833.88	1,128	170	1,727.10	294	0	0.00	0
Total Commissioned w/Enl Svc	816	\$7,816.18	\$6,378	822	\$1,963.50	\$1,614	0	\$0.00	\$0
Warrant Officer - 5	60	8,897.16	\$534	66	2,249.10	\$148	0	\$0.00	\$0
Warrant Officer - 4	183	8,156.04	1,493	210	2,061.90	433	0	0.00	0
Warrant Officer - 3	335	7,474.44	2,504	359	1,889.10	678	0	0.00	0
Warrant Officer - 2	319	6,874.92	2,193	237	1,737.90	412	0	0.00	0
Warrant Officer - 1	145	5,947.56	862	149	1,503.00	224	0	0.00	0
Total With Dependents	8,572	\$8,377.51	\$71,812	8,598	\$2,124.91	\$18,270	0	\$0.00	\$0

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
BAQ Without Dependents	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
General Officers	0	\$9,787.20	\$0	0	\$2,474.10	\$0	0	\$0.00	\$0
Colonel	16	8,979.00	144	16	2,269.80	36	0	0.00	0
Lieutenant Colonel	85	8,647.56	735	88	2,186.10	192	0	0.00	0
Major	296	8,014.44	2,372	296	2,025.90	600	0	0.00	0
Captain	1,103	6,424.20	7,086	1,110	1,623.60	1,802	0	0.00	0
First Lieutenant	1,063	5,094.72	5,416	1,050	1,287.90	1,352	0	0.00	0
Second Lieutenant	777	4,290.24	3,334	736	1,084.50	798	0	0.00	0
							0	\$0.00	\$0
Total Commissioned	3,340	\$5,714.67	\$19,087	3,296	\$1,450.24	\$4,780			
With Enlisted Service							0	\$0.00	\$0
Captain	79	6,934.44	\$548	74	1,753.20	\$130	0	0.00	0
First Lieutenant	37	5,895.36	218	47	1,490.40	70	0	0.00	0
Second Lieutenant	41	5,068.68	208	42	1,281.60	54			
Total Commissioned w/Enl Svc	157	\$6,203.82	\$974	163	\$1,558.28	\$254	0	\$0.00	\$0
Warrant Officer - 5	7	8,141.16	\$57	8	2,058.30	\$16	0	0.00	0
Warrant Officer - 4	10	7,232.40	72	11	1,827.90	20	0	0.00	0
Warrant Officer - 3	29	6,077.88	176	30	1,536.30	46	0	0.00	0
Warrant Officer - 2	41	5,396.40	221	36	1,364.40	49	0	0.00	0
Warrant Officer - 1	18	4,517.40	81	19	1,142.10	22	0	0.00	0
Total Without Dependents	3,602	\$5,737.92	\$20,668	3,563	\$1,455.80	\$5,187	0	\$0.00	\$0

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Partial BAQ Payment	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Lieutenant Colonel	0	608.40	\$0	0	99.00	\$0	0	\$0.00	\$0
Major	16	320.40	5	16	80.10	1	0	0.00	0
Captain	89	266.40	24	90	66.60	6	0	0.00	0
First Lieutenant	250	212.40	53	247	53.10	13	0	0.00	0
Second Lieutenant	870	158.40	138	824	39.60	33	0	0.00	0
							0	0.00	0
Total Commissioned	1,225	\$179.59	\$220	1,177	\$45.03	\$53	0	0.00	0
							0	\$0.00	\$0
With Enlisted Service									
Captain	4	266.40	\$1	4	53.10	\$0			
First Lieutenant	2	212.40	0	3	39.60	0	0	\$0.00	\$0
Second Lieutenant	37	158.40	6	38	75.60	3	0	0.00	0
							0	0.00	0
Total Commissioned w/Enl Svc	43	\$162.79	7	45	\$66.67	3			
							0	\$0.00	\$0
Warrant Officer - 5	0	302.40	\$0	0	75.60	\$0			
Warrant Officer - 4	1	302.40	0	1	75.60	0	0	\$0.00	\$0
Warrant Officer - 3	2	248.40	0	2	62.10	0	0	0.00	0
Warrant Officer - 2	2	190.80	0	2	47.70	0	0	0.00	0
Warrant Officer - 1	4	165.60	1	4	41.40	0	0	0.00	0
							0	0.00	0
Total Partial Payment	1,277	\$178.54	\$228	1,231	\$45.49	\$56	0	\$0.00	\$0
Total BAQ			\$92,708			\$23,513			\$0

Change from FY 1998 to FY 1999: Payment of the new basic allowance for housing (BAH) entitlement beginning 1 January 1998 replaces BAQ.

PROJECT: F. Variable Housing Allowance

FY 1997 Actual	\$30,938
FY 1998 Estimate	\$7,709
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

The funds requested provide for payment of Variable Housing Allowance (VHA) as authorized under 37 U.S.C. 403, to members with or without dependents living in geographic locations within the United States which are high housing cost areas. A member with dependents who is assigned to an unaccompanied tour of duty outside the U.S. is entitled to a VHA for any period during which the member's dependents reside in an area of the U.S. where, if the member were assigned to duty in that area, the member would be entitled to receive VHA.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The VHA is computed by multiplying the number of eligible officers by the average rates experienced in the prior year.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). The FY 1998 VHA amounts reflect payments for 3 months (October through December 1997). Effective 1 January 1998, the payments are included under BAH.

(In Thousands of Dollars)

	FY 1997 Estimate			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
General Officers	24	\$4,666.67	\$112	25	\$1,160.00	\$29	0	\$0.00	\$0
Colonel	356	4,519.66	1,609	354	1,135.59	402	0	0.00	0
Lieutenant Colonel	1,159	3,960.31	4,590	1,176	997.45	1,173	0	0.00	0
Major	2,147	3,821.61	8,205	2,009	960.68	1,930	0	0.00	0
Captain	3,151	2,708.35	8,534	3,303	677.57	2,238	0	0.00	0
First Lieutenant	1,440	1,962.50	2,826	1,437	488.52	702	0	0.00	0
Second Lieutenant	1,293	1,863.88	2,410	1,262	465.93	588	0	0.00	0
Warrant Officer - 5	61	3,114.75	190	70	785.71	55	0	0.00	0
Warrant Officer - 4	184	2,994.57	551	199	748.74	149	0	0.00	0
Warrant Officer - 3	330	2,618.18	864	234	666.67	156	0	0.00	0
Warrant Officer - 2	221	2,701.36	597	252	686.51	173	0	0.00	0
Warrant Officer - 1	151	2,980.13	450	151	754.97	114	0	0.00	0
Total VHA	10,517	\$2,941.71	\$30,938	10,472	\$736.15	\$7,709	0	\$0.00	\$0

Change from FY 1998 to FY 1999: Payment of the new basic allowance for housing (BAH) entitlement beginning 1 January 1998 replaces VHA.

PROJECT E: Basic Allowance for Housing

FY 1997 Actual	\$0
FY 1998 Estimate	\$95,740
FY 1999 Estimate	\$132,455

PART I - PURPOSE AND SCOPE

Congress approved in the FY 1998 Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). Payments to service members is authorized by revisions to 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1998 amounts for BAH reflect the 1 January 1998 start date for BAH and include a 2.5 percent increase which is a composite of the 2.8 percent rate applicable to BAQ and the 1.4 percent rate applicable to VHA. The FY 1999 amount reflects a full year's cost and includes a 2.8 percent increase which is a composite of the 3.1 percent rate applicable to BAQ and 1.5 percent rate applicable to VHA. This increase is the estimated housing rate increase that will result from the contractor generated surveys for actual housing costs which will be completed during FY 1998.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
BAH With Dependents									
General Officers	0	\$0.00	\$0	27	\$12,703.70	\$343	30	\$17,300.00	\$519
Colonel	0	0.00	0	373	11,587.13	4,322	378	15,783.07	5,966
Lieutenant Colonel	0	0.00	0	1,244	10,844.05	13,490	1,252	14,694.09	18,397
Major	0	0.00	0	2,151	9,595.07	20,639	2,173	13,063.51	28,387
Captain	0	0.00	0	1,967	7,708.69	15,163	2,014	10,625.62	21,400
First Lieutenant	0	0.00	0	586	6,443.69	3,776	608	8,776.32	5,336
Second Lieutenant	0	0.00	0	407	6,179.36	2,515	417	8,410.07	3,507
Total Commissioned	0	0.00	0	6,755	\$8,919.02	\$60,248	6,872	\$12,152.50	\$83,512
With Enlisted Service									
Captain	0	\$0.00	\$0	496	\$6,526.21	\$3,237	555	\$11,320.72	\$6,283
First Lieutenant	0	0.00	0	156	5,942.31	927	204	9,455.88	1,929
Second Lieutenant	0	0.00	0	170	5,552.94	944	160	9,737.50	1,558
Total Commissioned w/Enl Svc	0	\$0.00	\$0	822	\$6,214.11	\$5,108	919	\$10,631.12	\$9,770
Warrant Officer - 5	0	\$0.00	\$0	66	\$9,121.21	\$602	71	\$12,830.99	\$911
Warrant Officer - 4	0	0.00	0	210	8,438.10	1,772	225	11,564.44	2,602
Warrant Officer - 3	0	0.00	0	359	7,100.28	2,549	356	9,721.91	3,461
Warrant Officer - 2	0	0.00	0	237	7,286.92	1,727	254	10,267.72	2,608
Warrant Officer - 1	0	0.00	0	149	6,677.85	995	164	9,439.02	1,548
Total With Dependents	0	\$0.00	\$0	8,598	\$8,490.46	\$73,001	8,861	\$11,783.32	\$104,412

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
BAH Without Dependents	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
General Officers	0	\$0.00	\$0	0	\$6,952.40	\$0	0	\$10,410.00	\$0
Colonel	0	0.00	0	16	10,187.50	163	16	13,812.50	221
Lieutenant Colonel	0	0.00	0	88	9,102.27	801	89	12,393.26	1,103
Major	0	0.00	0	296	8,513.51	2,520	296	11,591.22	3,431
Captain	0	0.00	0	1,110	6,825.23	7,576	1,095	9,031.05	9,889
First Lieutenant	0	0.00	0	1,050	6,262.86	6,576	1,041	6,829.97	7,110
Second Lieutenant	0	0.00	0	736	4,372.28	3,218	746	\$5,951.74	4,440
Total Commissioned	0	\$0.00	\$0	3,296	\$6,327.06	\$20,854	3,283	\$7,978.68	\$26,194
With Enlisted Service									
Captain	0	\$0.00	\$0	74	\$7,540.54	\$558	0	\$7,376.76	\$0
First Lieutenant	0	\$0.00	0	47	5,680.85	267	57	7,736.84	441
Second Lieutenant	0	\$0.00	0	42	5,142.86	216	39	7,025.64	274
Total Commissioned w/Enl Svc	0	\$0.00	\$0	163	\$6,386.50	\$1,041	96	\$7,447.92	\$715
Warrant Officer - 5	0	\$0.00	\$0	8	\$8,875.00	\$71	8	\$12,125.00	\$97
Warrant Officer - 4	0	0.00	0	11	6,909.09	76	12	9,250.00	111
Warrant Officer - 3	0	0.00	0	30	6,766.67	203	29	9,206.90	267
Warrant Officer - 2	0	0.00	0	36	6,055.56	218	35	8,228.57	288
Warrant Officer - 1	0	0.00	0	19	5,842.11	111	19	7,894.74	150
Total Without Dependents	0	0.00	0	3,563	\$6,335.67	\$22,574	3,482	\$7,990.24	\$27,822

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Partial BAH Payment									
Lieutenant Colonel	0	\$0.00	\$0	0	\$297.00	\$0	0	\$396.00	\$0
Major	0	0.00	0	16	240.30	\$4	16	320.40	5
Captain	0	0.00	0	90	199.80	\$18	89	266.40	24
First Lieutenant	0	0.00	0	247	159.30	\$39	245	212.40	52
Second Lieutenant	0	0.00	0	824	118.80	\$98	835	158.40	132
Total Commissioned	0	\$0.00	\$0	1,177	\$135.09	\$159	1,185	\$179.75	\$213
With Enlisted Service									
Captain	0	\$0.00	\$0	4	\$199.80	1	0	\$266.40	\$0
First Lieutenant	0	0.00	0	3	159.30	0	3	212.40	1
Second Lieutenant	0	0.00	0	38	118.80	5	36	158.40	6
Total Commissioned w/Enl Svc	0	\$0.00	\$0	45	\$133.33	6	39	\$179.49	7
Warrant Officer - 5	0	\$0.00	\$0	0	\$226.80	\$0	0	\$302.40	\$0
Warrant Officer - 4	0	0.00	0	1	226.80	0	1	302.40	0
Warrant Officer - 3	0	0.00	0	2	186.30	0	2	248.40	0
Warrant Officer - 2	0	0.00	0	2	143.10	0	2	190.80	0
Warrant Officer - 1	0	0.00	0	4	124.20	0	4	165.60	1
Total Partial Payment	0	\$0.00	\$0	1,231	\$134.04	\$165	1,233	\$179.24	\$221
Total			\$0			\$95,740			\$132,455

Change from FY 1998 to FY 1999: This increase of \$36,715 from \$95,740 in FY 1998 to \$132,455 in FY 1999 reflects a full year's BAH cost and includes annualization of the FY 1998 housing rate increase, the FY 1999 housing rate increase, and a decrease in the availability of government quarters.

PROJECT: G. Basic Allowance for Subsistence (BAS)

FY 1997 Actual	\$32,992
FY 1998 Estimate	\$33,381
FY 1999 Estimate	\$33,795

PART I - PURPOSE AND SCOPE

The funds requested will provide subsistence allowances on a monthly basis to all officers as authorized by United States Code Title 37, U.S.C 402, Pay and Allowances of the Uniformed Services, Chapter 7, Allowances.

PART 11 - JUSTIFICATION OF FUNDS REQUESTED

Basic Allowance for Subsistence costs are computed by multiplying the statutory rate by the officer manyears programmed.

Details of the fund computation are provided in the following table:

(In Thousands of Dollars)								
FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
17,965	\$1,836.45	\$32,992	17,910	\$1,863.80	\$33,381	17,953	\$1,882.43	\$33,795

Change from FY 1998 to FY 1999: The BAS increase \$414 from \$33,381 in FY 1998 to \$33,795 in FY 1999. This increase is attributed to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, and an increase in average strength.

PROJECT: H. Overseas Station Allowance

FY 1997 Actual	\$18,088
FY 1998 Estimate	\$18,299
FY 1999 Estimate	\$16,024

PART I - PURPOSE AND SCOPE

The funds requested will help to defray the excess costs of food, lodging, and related incidental expenses experienced by officers and their dependents on permanent duty outside the contiguous United States as prescribed by Joint Federal Travel Regulations and authorized under the provisions of Title 37 United States Code 405.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The index for FY 1998 is 120 as of 1 May 1997 and FY 1999 index is 130 as of 1 Jan 1998. The rates for COLA reflect a pay raise effective 1 January of 2.8% in FY 1998 and 3.1% in FY 1999.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount	Number	Avg. Rate	Amount
Barracks Cost of Living	35	\$1,485.71	\$52	35	\$1,394.77	\$49	35	\$1,228.57	\$43
Cost of Living Regular	2,013	6,516.64	13,118	2,013	6,495.52	13,075	2,013	5,701.44	11,477
Housing	226	10,610.62	2,398	226	10,493.96	2,372	226	9,132.74	2,064
Temporary Lodging Allowance	1,520	1,657.89	2,520	1,520	1,843.97	2,803	1,520	1,604.98	2,440
Total Station Allowances	3,794		\$18,088	3,794		\$18,299	3,794		\$16,024

Change from FY 1998 to FY 1999: Overseas Station Allowance costs decrease \$2,275 from \$18,299 in FY 1998 to \$16,024 in FY 1999. This decrease is due to favorable currency exchange rates, offset by the annualization of the FY 1998 pay raise, the FY 1999 pay raise, the inflation applied to housing and temporary lodging allowances.

PROJECT: I. CONUS Cost of Living Allowance (COLA)

FY 1997 Estimate	\$539
FY 1998 Estimate	\$579
FY 1999 Estimate	\$599

As part of the DOD QOL actions, the funds requested will provide for payment of a cost of living allowance (COLA) to members of the Uniformed Services who are assigned to high cost areas in the Continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold (108% of National Cost of Living Average) percentage is established by the Secretary of Defense and cannot be less than eight percent. The amount of COLA payable is the product of spendable income (based on regular military compensation) times the difference between the COLA index for the individual's high cost area and the threshold percentage. This allowance was authorized by the FY 1995 DOD Authorization Act.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate.

The computation of fund requirements is provided in the following tables:

(In Thousands of Dollars)								
FY 1997 Estimate			FY 1998 Estimate			FY 1999 Estimate		
Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
1,010	\$533.70	\$539	1,010	\$573.27	\$579	1,010	\$593.07	\$599

Change from FY 1998 to FY 1999: The increase of \$20 from \$579 in FY 1998 to \$599 in FY 1999 is the result of the annualization of the FY 1998 pay raise and the FY 1999 pay raise.

PROJECT: J. Uniform Allowances

FY 1997 Actual	\$532
FY 1998 Estimate	\$540
FY 1999 Estimate	\$528

PART I - PURPOSE AND SCOPE

The funds requested will provide initial and additional uniform allowances to eligible officers, upon entering the service, to purchase required uniforms as authorized in United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 7, Allowances.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Uniform allowances are determined by applying statutory rates to the number of eligible officers programmed.

Fund computations are provided on the following table:

(In Thousands of Dollars)									
	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Initial Uniform Allowances	1,564	\$200.00	\$313	1,610	\$200.00	\$322	1,543	\$200.00	\$309
Additional Uniform Allowances	1,554	100.00	155	1,510	100.00	151	1,508	100.00	151
Civilian Clothing Allowances:									
Initial Allowance	50	1,258.00	63	45	1,270.00	57	45	1,289.00	58
Continuing Allowance	2	629.00	1	15	635.00	10	15	644.50	10
Total Uniform Allowances			\$532			\$540			\$528

Change from FY 1998 to FY 1999: Uniform Allowance payments decrease \$12 from \$540 in FY 1998 to \$528 in FY 1999. This decrease is due to a decrease in additional uniform allowance, offset by an increase in the civilian clothing allowance rate.

PROJECT: K: Family Separation Allowance

FY 1997 Actual	\$1,155
FY 1998 Estimate	\$1,511
FY 1999 Estimate	\$1,432

PART I - PURPOSE AND SCOPE

The funds requested are to equitably reimburse officers involuntarily separated from their dependents for the average extra expenses that result from the separation as authorized by United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 7, Allowances.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the statutory rate applicable.

The Marine Corps supports the FY 1998 National Defense Authorization Act that increased the Family Separation Allowance payment from \$75 to \$100 per month for those members in TDY and PCS status.

Details of the cost computation are provided in the following tables:

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
On PCS with Dependents not authorized	383	\$900.00	\$345	360	\$1,200.00	\$432	294	\$1,200.00	\$353
On Board Ship for More Than Thirty Days	135	900.00	122	135	1,200.00	162	135	1,200.00	162
On TDY for More Than Thirty Days with Dependents not residing near TDY station	764	900.00	688	764	1,200.00	917	764	1,200.00	917
Total			\$1,155			\$1,511			\$1,432

Change from FY 1998 to FY 1999: Family Separation Allowance decreases \$79 from \$1,511 in FY 1998 to \$1,432 in FY 1999. This decrease is a result of a decrease in unaccompanied tours.

PROJECT L: Separation Payments

FY 1997 Actual	\$20,686
FY 1998 Estimate	\$18,495
FY 1999 Estimate	\$15,288

PART I - PURPOSE AND SCOPE

The funds requested will provide payments for:

- Unused accrued leave to officers separated or released from active duty under honorable conditions as authorized by United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 9, Leave.
- Severance pay to officers who are disabled, as authorized by United States Code Title 10, Armed Forces, Chapter 61, Retirement or Separation, including elimination severance pay to officers not eligible for retirement, as authorized by United States Code, Title 10, Armed Forces, Chapter 59, Separation.
- Readjustment pay to reserve officers who are involuntarily released from active duty as authorized by United States Code Title 10, Armed Forces, Chapter 39, Active Duty.
- Voluntary Separation Incentive (VSI) and Special Separation Benefit (SSB) payments to personnel who are encouraged to leave active duty voluntarily, as authorized in Sections 117a and 1175 of Title 10, United States Code (enacted in the FY 1992 National Defense Authorization Act, Defense Authorization Act, Public Law 102-190).
- Early Retirement for officers who have 15 or more but less than 20 years active duty, as authorized in sections 3911 and 1293 of Title 10, United States Code (enacted in the FY 1993 National Defense Authorization Act, Public Law 102-484).

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1993 Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving their drawdown goals of maintaining readiness and treating people fairly. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Members approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent X the years of service X basic pay (adjusted for COLA) X reduction factor. For members who leave under the early retirement program, the Marine Corps is required to establish a subaccount within Military Personnel Appropriation to fund up front all early retirement payments including cost of living adjustments, which will cover the entire initial period. This period is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program expires on 1 October 1999.

Separation payments are calculated by using cost factors, which are based on past experience, and programmed separations by type and by grade.

(In Thousands of Dollars)

	FY 1997 Actual				FY 1998 Estimate				FY 1999 Estimate			
	Avg.		No.	Days	Avg. Rate	Amount	Avg.		No.	Days	Avg. Rate	Amount
Lump Sum Terminal Leave												
General	8	55			\$6,117.13	\$49	9	55			\$6,483.35	\$58
Colonel	73	60			5,664.73	414	86	60			6,003.87	528
Lieutenant Colonel	120	42			4,666.84	560	219	42			4,946.23	871
Major	224	37			4,394.17	984	292	37			4,657.24	1,257
Captain	520	35			3,051.55	1,587	601	35			3,234.24	1,692
Captain W/Enl Svs	73	42			2,427.25	177	57	42			2,572.56	129
1st Lieutenant	100	33			1,489.97	149	207	33			1,579.17	433
1st Lieutenant W/Enl Svs	17	4			2,883.53	49	9	4			3,056.16	52
2nd Lieutenant	15	7			1,797.73	27	34	7			1,905.36	86
2nd Lieutenant W/Enl Svs	3	3			23.42	0	0	3			24.82	0
Warrant Officer 5	7	29			3,304.14	23	20	29			3,501.95	53
Warrant Officer 4	35	33			3,223.06	113	41	33			3,416.02	167
Warrant Officer 3	26	30			2,196.88	57	53	30			2,328.40	119
Warrant Officer 2	23	40			1,352.74	31	29	40			1,433.73	29
Warrant Officer 1	2	2			32.74	0	3	2			34.70	0
Subtotal	1,246					\$4,220	1,660					\$5,474
Severance Pay - Disability	13				\$54,615.38	\$710	14				\$50,500.00	\$707
Involuntary - Half Pay (5%)	8					\$207	6					\$137
Involuntary - Full Pay (10%)	297					\$15,118	214					\$8,605
Voluntary - SSB (15%)	0					\$0	0					\$0

(In Thousands of Dollars)

	FY 1997 Actual				FY 1998 Estimate				FY 1999 Estimate			
	Avg.		Amount		Avg.		Amount		Avg.		Amount	
	No.	Days			No.	Days			No.	Days		
Voluntary Separation Incentive Initial Payment	0		\$0		0		\$0		0		\$0	
VSI Trust Fund Payment	0		\$431		0		\$431		0		\$365	
Early Retirement	0		\$0		0		\$0		0		\$0	
Total Payments			\$20,686				\$18,495				\$15,288	

Change from FY 1998 to FY 1999: Separation payments decrease \$3,207 from \$18,495 in FY 1998 to \$15,288 FY 1999. This decrease is attributed to a decrease in involuntary separation payments, a decrease in lump sum terminal leave payments and a decrease in VSI payment, offset by the FY 1999 pay raise.

PROJECT: M. Social Security Tax-Employer's Contribution

FY 1997 Actual	\$62,737
FY 1998 Estimate	\$64,272
FY 1999 Estimate	\$65,947

PART I - PURPOSE AND SCOPE

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Government's contribution of Social Security costs is based on the percentage rate set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983 established the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Income (OASDI) rate is 6.2% and the Hospital Insurance (HI) rate is 1.45%. There is no wage cap on the 1.45% medical contribution.

Taxable income ceilings for OASDI are as follows:

Calendar Year 1997 - 7.65% on first \$65,400 and 1.45% on the remainder.
 Calendar Year 1998 - 7.65% on first \$68,100 and 1.45% on the remainder.
 Calendar Year 1999 - 7.65% on first \$71,100 and 1.45% on the remainder.

Funding for FY 1997, FY 1998 and FY 1999 includes employer's contribution to Social Security for which military members receive wage credit but no social security tax (i.e., quarters and subsistence allowances). DOD makes direct payments to the Social Security Trust Funds based on Health and Human Services estimates to cover the cost of these additional credits.

Details of the computations are shown in the following table:

(In Thousands of Dollars)								
FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
17,965	\$3,098.58	\$55,666	17,910	\$3,207.15	\$57,440	17,953	\$3,309.75	\$59,420
Service Credits		\$7,071			\$6,832			\$6,527
		<u>\$62,737</u>			<u>\$64,272</u>			<u>\$65,947</u>

Change from FY 1998 to FY 1999: Officer FICA payments increase \$1,675 from \$64,272 in FY 1998 to \$65,947 in FY 1999. The increase is a result of an increase in the base amount to which the FICA rate is applied, annualization of the FY 1998 pay raise, and the FY 1999 pay raise, offset by a decrease in service credits.

Total Pay & Allowances			
Officers	\$1,266,579	\$1,287,135	\$1,323,496
Less: (Reimbursable)	\$10,304	\$10,566	\$10,246
Total Direct Program	\$1,256,275	\$1,276,569	\$1,313,250

MILITARY PERSONNEL, MARINE CORPS
SCHEDULE OF INCREASES AND DECREASES
PAY AND ALLOWANCES OF ENLISTED
(IN THOUSANDS OF DOLLARS)

BUDGET ACTIVITY 2

FY 1998 DIRECT PROGRAM

Amount
\$4,239,842

INCREASES:

Basic Pay - This increase is the result of the annualization of the FY 1998 pay raise, the FY 1999 pay raise (\$77,372) and increases in grade structure (\$1,509), offset by changes within the fines and forfeitures and other non-entitlements and the Navy Home (\$238), a decrease in longevity (\$4,720) and the decrease in average strength (\$17,379).	\$56,544
Retired Pay Accrual - This increase is due to the annualization of the FY 1998 pay raise, the FY 1999 pay raise, offset by the decrease in average strength, and the decrease in the actuary Normal Cost Percentage (NCP).	9,310
Basic Allowance for Housing - This increase reflects a full year's BAH cost and includes annualization of the FY 1998 housing rate increase, the FY 1999 housing rate increase, and a decrease in the availability of government quarters. This increase is offset by a decrease in average strength.	112,924
CONUS Cost of Living - This increase is due to the annualization of the FY 1998 pay raise, and the FY 1999 pay raise.	64
FICA - This increase is a result of the annualization of the FY 1998 pay raise, and the FY 1999 pay raise, offset by the decrease in average strength.	3,217
Selective Reenlistment Bonus - This increase is the result of an increase in anniversary installments and the FY 1999 pay raise.	2,452
Incentive Pay - This increase is the result of an increase in the authorized monthly rate from \$110 to \$150 and an increase in HALO requirements.	884

INCREASES (Con.)

Special Pay - This increase is the result of the increase in diving duty and foreign language proficiency pay entitlements, offset by a decrease in other special pay.	84
Clothing - This increase is primarily the result of FY 1999 inflation factors and increases in initial payments, offset by decreases in maintenance allowances.	1,739
Separation Payments - This increase is attributed to the FY 1999 pay raise and an increase in lump sum leave offset by a decrease in the VSI Trust Fund payment.	1,813

TOTAL INCREASES: \$189,031

DECREASES:

Overseas Station Allowance - This decrease is primarily associated with more favorable currency exchange rates, offset by the annualization of the 1998 pay raise, the FY 1999 pay raise, inflation factors applied to housing and temporary lodging allowances.	(8,008)
Basic Allowance for Quarters - This decrease reflects the elimination of BAQ effective 1 January 1998.	(72,683)
Variable Housing Allowance - This decrease reflects the elimination of VHA effective 1 January 1998.	(21,064)
Family Separation Allowance - This decrease is primarily the result of a decrease in unaccompanied tours.	(126)

TOTAL DECREASES: (\$101,881)

FY 1999 DIRECT PROGRAM \$4,326,992

PROJECT: A. Basic Pay - Enlisted

FY 1997 Actual	\$2,489,100
FY 1998 Estimate	\$2,582,009
FY 1999 Estimate	\$2,638,628

PART I - PURPOSE AND SCOPE

The funds requested will provide for basic compensation and length of service increments for enlisted personnel on active duty, in accordance with Title 37 U.S.C., Pay and Allowances of the Uniformed Services, Chapter 3, Basic Pay. Basic Pay is the primary means of compensating members of the Uniformed Services. Except for certain periods of unauthorized absence, excess leave, and confinement after an enlistment has expired, every member is entitled to basic pay while on active duty, paid on a regular basis at a rate determined by pay grade and length of service.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1999 program is based on a beginning strength of 155,101 enlisted personnel, an end strength of 154,322 and 154,126 average strength. Costs are determined on the basis of grade distribution by longevity for each fiscal year. The average rates are derived considering the current longevity adjusted by planned gains and losses for each year.

The computation of fund requirements is shown in the following table:

	FY 1997 Actual			(In Thousands of Dollars) FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Sergeant Major of the Marine Corps...	1	\$50,364.00	\$50	1	\$51,804.00	\$52	1	\$53,364.00	\$53
E-9.....	1,355	39,706.19	53,802	1,280	40,842.56	52,278	1,216	42,078.32	51,167
E-8.....	3,228	32,096.91	103,609	3,374	33,015.40	111,394	3,422	34,010.25	116,383
E-7.....	8,639	27,000.95	233,261	8,833	27,770.73	245,299	8,890	28,611.87	254,360
E-6.....	13,953	22,860.49	318,972	14,376	23,651.13	340,009	14,407	24,298.61	350,070
E-5.....	22,244	18,114.40	402,937	23,300	18,741.12	436,668	22,897	19,254.28	440,865
E-4.....	29,296	14,983.99	438,971	29,855	15,502.42	462,825	29,644	15,926.69	472,131
E-3.....	44,405	12,991.82	576,902	42,871	13,441.03	576,230	42,586	13,808.98	588,069
E-2.....	19,993	12,033.24	240,581	19,274	12,375.72	238,530	19,144	12,750.36	244,093
E-1.....	12,446	10,257.32	127,663	12,000	10,549.20	126,590	11,919	10,868.47	129,541
Total Basic Pay	155,560	\$16,050.06	\$2,496,748	155,164	\$16,691.21	\$2,589,875	154,126	\$17,172.52	\$2,646,732
Fines and Forfeitures & Other Non-Entitlements			(13,787)			(14,180)			(14,609)
Total Enlisted Basic Pay Subject to Retired Pay Accrual/FICA			\$2,482,961			\$2,575,695			\$2,632,123
Fines and Forfeitures for Navy Home not Subject to RPA/FICA			6,139			6,314			6,505
Total Enlisted Basic Pay Requirement			\$2,489,100			\$2,582,009			\$2,638,628
Change from FY 1998 to FY 1999:	The increase of \$56,619 from \$2,582,009 in FY 1998 to \$2,638,628 in FY 1999 is attributed to the annualization of the FY 1998 pay raise, the FY 1999 pay raise (\$77,372), and increases in grade structure (\$1,509), offset by decreases in the fines and forfeitures and other non-entitlements and the Navy Home contributions (\$238), decreases in longevity (\$4,720) and the decrease in average strength (\$17,304).								

PROJECT: B. Retired Pay Accrual-Enlisted

FY 1997 Actual	\$809,446
FY 1998 Estimate	\$785,587
FY 1999 Estimate	\$794,902

PART I - PURPOSE AND SCOPE

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with Title 10 U.S.C. 1466 as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The budgetary estimates are derived as a product of:

- (a) Detailed cost computation based on the Normal Cost Percentages (NCP) of 32.6% for FY 1997, 30.5% for FY 1998, and 30.2% for FY 1999.
- (b) The total amount of basic pay expected to be paid during the fiscal year to members of the Armed Forces.

(In Thousands of Dollars)

FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
155,560	\$5,203.43	\$809,446	155,164	\$5,062.95	\$785,587	154,126	\$5,157.48	\$794,902

Change from FY 1998 to FY 1999: The increase of \$9,315 from \$785,587 in FY 1998 to \$794,902 in FY 1999 is directly associated with the annualization of the FY 1998 pay raise and the FY 1999 pay raise, offset by the decrease in average strength and the accrual percentage.

PROJECT: C. Incentive Pay - Hazardous Duty

FY 1997 Actual	\$6,159
FY 1998 Estimate	\$7,492
FY 1999 Estimate	\$8,376

PART I - PURPOSE AND SCOPE

The funds requested will provide incentive pay to enlisted personnel performing hazardous duty as prescribed by United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 5, Special and Incentive Pays. Included in this request are the following types of duties:

- Flying Duty (Crewmember)
To provide additional pay for enlisted personnel involved in frequent and regular participation in aerial flight as a crew member.
- Flying Duty (Noncrewmember)
To provide additional pay for enlisted personnel involved in frequent and regular participation in aerial flight as a noncrew member.
- Flight Deck Duty
To provide additional payment for duty involving participation in flight operations on board ship.
- Parachute Duty
To provide additional payment for enlisted personnel who perform parachute jumping as an essential part of military duty.
- Demolition Duty
To provide additional payment for enlisted personnel who perform duty involving the demolition of explosives as a primary duty, including training for such duty.
- High Altitude/Low Opening (HALO)
To provide additional payment for enlisted personnel who perform parachute jumps at altitudes higher than 10,000 feet and free fall to low altitudes before parachute opening.
- Firefighter Duty Pay
To provide additional payment for enlisted personnel who perform primary firefighting duties (effective 1 Jul 99).

PART II - JUSTIFICATION OF FUNDS REQUESTED

Hazardous duty pay is computed on the basis of the average number of enlisted personnel in each grade who are eligible for payment.

The computation of fund requirements is provided in the following table:

(In Thousands of Dollars)									
	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
1. Flying Duty									
(a) Crewmembers									
E-9.....	11	\$2,400.00	\$26	11	\$2,400.00	\$26	11	\$2,400.00	\$26
E-8.....	36	2,400.00	86	36	2,400.00	86	36	2,400.00	86
E-7.....	149	2,400.00	358	149	2,400.00	358	149	2,400.00	358
E-6.....	264	2,100.00	554	264	2,100.00	554	264	2,100.00	554
E-5.....	394	1,800.00	709	394	1,800.00	709	394	1,800.00	709
E-4.....	352	1,500.00	528	352	1,750.00	616	352	1,800.00	634
E-3.....	117	1,320.00	154	117	1,720.00	201	117	1,800.00	211
E-2.....	7	1,320.00	9	7	1,720.00	12	7	1,800.00	13
E-1.....	1	1,320.00	1	1	1,720.00	2	1	1,800.00	2
Subtotal	1,331		\$2,425	1,331		\$2,564	1,331		\$2,593
(b) Noncrewmembers.....	528	\$1,320.00	\$697	528	\$1,720.00	\$908	528	1,800.00	\$950
(c) Flight Deck Duty Pay.....	900	\$1,320.00	\$1,188	900	\$1,720.00	\$1,548	900	1,800.00	\$1,620
Subtotal			\$4,310			\$5,020			\$5,163
2. Parachute Jumping Duty.....	794	\$1,320.00	\$1,048	794	\$1,720.00	\$1,366	794	1,800.00	\$1,429
3. Demolition Duty.....	310	\$1,320.00	\$409	310	\$1,720.00	\$533	310	1,800.00	\$558
4. HALO.....	198	\$1,980.00	\$392	222	\$2,580.00	\$573	299	\$2,700.00	\$807
5. Firefighter Duty.....	0	\$0.00	\$0	0	\$0.00	\$0	932	\$450.00	\$419
Total Incentive Pay.....			\$6,159			\$7,492			\$8,376

Change from FY 1998 to FY 1999: The increase of \$884 from \$7,492 in FY 1998 to \$8,376 in FY 1999 is due to an increase in the authorized monthly rate from \$110 to \$150, an increase in HALO requirements, and implementation of Firefighter Duty Pay.

PROJECT: D. Special Pay

FY 1997 Actual	\$9,131
FY 1998 Estimate	\$9,296
FY 1999 Estimate	\$9,380

PART I - PURPOSE AND SCOPE

The funds requested will provide for special pay in accordance with United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 5, Special and Incentive Pays. Included in this request for special pay are the following:

- Career Sea Pay
To provide additional payment for enlisted personnel in the grades of corporal and above who are assigned to sea duty.
- Certain Location Pay
Pay for enlisted personnel assigned to duty at designated places outside the contiguous 48 states and the District of Columbia.
- Diving Duty Pay
To provide additional payment for enlisted personnel performing duties involving SCUBA diving.
- Overseas Extension Pay
To provide additional pay for enlisted personnel in designated specialties who have completed their tour of duty at an overseas location and execute an agreement to extend that tour for a period of not less than one year.
- Other/Hostile Fire Pay
To provide additional payment for enlisted personnel performing duties in designated hostile areas.
- Foreign Language Proficiency Pay
To provide additional payment for enlisted personnel proficient in specific foreign languages in accordance with Section 634 of the FY 1987 DOD Authorization Bill.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Special pay is computed by applying statutory rates to the average number of personnel who are eligible for payment.

The computation of fund requirements is provided in the following table:

	FY 1997 Actual			(In Thousands of Dollars) FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Career Sea Pay									
E-9.....	17	\$1,403.00	\$24	17	\$1,403.00	\$24	17	\$1,403.00	\$24
E-8.....	62	1,595.00	99	62	1,595.00	99	62	1,595.00	99
E-7.....	216	1,398.00	302	216	1,398.00	302	216	1,398.00	302
E-6.....	364	1,252.00	456	364	1,252.00	456	364	1,252.00	456
E-5.....	759	672.00	510	759	672.00	510	759	672.00	510
E-4.....	1,838	627.00	1,152	1,838	627.00	1,152	1,838	627.00	1,152
Subtotal	3,256		\$2,543	3,256		\$2,543	3,256		\$2,543
Certain Locations									
E-9/8/7.....	182	270.00	\$49	182	270.00	\$49	182	270.00	\$49
E-6.....	202	240.00	48	202	240.00	48	202	240.00	48
E-5.....	565	192.00	108	565	192.00	108	565	192.00	108
E-4.....	728	156.00	114	728	156.00	114	728	156.00	114
E-3.....	1,045	108.00	113	1,045	108.00	113	1,045	108.00	113
E-2/1.....	277	96.00	27	277	96.00	27	277	96.00	27
Subtotal	2,999		\$459	2,999		\$459	2,999		\$459
Diving Duty Pay	470	\$2,100.00	\$987	522	\$2,100.00	\$1,096	599	\$2,100.00	\$1,258
Overseas Extension Pay.....	335	\$960.00	\$322	335	\$960.00	\$322	335	\$960.00	\$322
Other Special Pay.....	2,508	\$1,800.00	\$4,514	2,484	\$1,800.00	\$4,471	2,413	\$1,800.00	\$4,343
Foreign Language Proficiency Pay			\$306			\$405			\$455
Total Special Pay.....			\$9,131			\$9,296			\$9,380

Change from FY 1998 to FY 1999: The increase of \$84 from \$9,296 in FY 1998 to \$9,380 in FY 1999 is the result of an increase in diving duty and foreign language proficiency pay entitlements, offset by a decrease in payments of other special pay.

PROJECT: E. Special Duty Assignment Pay

FY 1997 Estimate \$19,428
 FY 1998 Estimate \$20,229
 FY 1999 Estimate \$20,229

PART I - PURPOSE AND SCOPE

These funds provide an additional monthly payment as a retention incentive to enlisted members serving in critical military skills and as an inducement to qualified personnel to volunteer for certain duties outside their normal career fields as authorized in United States Code Title 37 as amended by Section 623 of P.L. 98-525. Payments are provided for the following:

- (a) Recruiting Duty
- (b) Drill Instructor Duty
- (c) Career Planners
- (d) Marine Security Guards at U.S. Embassies

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimate is based on the number of individuals programmed to occupy skills for which special duty assignment pay is authorized.

(In Thousands of Dollars)

	FY 1997 Estimate			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Sp Dty Assign Pay (\$375).....	3,263	4,500.00	\$14,684	3,193	4,500.00	\$14,369	3,193	4,500.00	\$14,369
Sp Dty Assign Pay (\$275).....	0	3,300.00	0	1201	3,300.00	3,963	1201	3,300.00	3,963
Sp Dty Assign Pay (\$225).....	0	2,700.00	0	0	2,700.00	0	0	2,700.00	0
Sp Dty Assign Pay (\$220).....	964	2,640.00	2,545	75	2,640.00	198	75	2,640.00	198
Sp Dty Assign Pay (\$165).....	283	1,980.00	560	2	1,980.00	4	2	1,980.00	4
Sp Dty Assign Pay (\$110).....	1,089	1,320.00	1,437	1,117	1,320.00	1,474	1,117	1,320.00	1,474
Sp Dty Assign Pay (\$75).....	0	900.00	0	0	900.00	0	0	900.00	0
Sp Dty Assign Pay (\$55).....	306	660.00	202	335	660.00	221	335	660.00	221
Total	5,905		\$19,428	5,923		\$20,229	5,923		\$20,229

Change from FY 1998 to FY 1999: No change.

PROJECT: F. Reenlistment Bonus

FY 1997 Actual	\$14,883
FY 1998 Estimate	\$19,773
FY 1999 Estimate	\$22,225

PART I - PURPOSE AND SCOPE

The funds requested will provide a monetary incentive to encourage selected enlisted personnel to reenlist in military skills which have high training costs.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The primary objective of the reenlistment bonus is to maintain an adequate level of experienced and qualified enlisted personnel in the peacetime forces.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
First Installments	1,414	\$5,442.01	\$7,695	1,754	\$7,327.82	\$12,853	1,754	\$7,555.30	\$13,252
Obligated Installments	3,556	2,021.37	7,188	3,849	1,797.87	6,920	4,354	2,060.86	8,973
Total SRB Payments	4,970	\$2,994.57	\$14,883	5,603	\$3,529.00	\$19,773	6,108	\$3,638.67	\$22,225
Change from FY 1998 to FY 1999:	The increase of \$2,452 from \$19,773 in FY 1998 to \$22,225 in FY 1999 is the result of an increase in anniversary payments and the FY 1999 pay raise.								

Reenlistment Bonus - Critical Skill MOS Changes

The following MOS's will be added during Fiscal Years 1998 and 1999 because of occupational shortages:

FY 1998

0411 - Maintenance Management Specialist
 0431 - Embarkation Specialist
 0451 - Air Delivery Specialist
 0481 - Landing Support Specialist
 0842 - Field Artillery Radar Operator
 2673 - Cryptologic Linguist, Korean
 5711 - Nuclear, Biological, and Chemical Defense Specialist
 5831 - Correctional Specialist
 6014 - Aircraft Mechanic, UAV
 6056 - Aircraft Airframe Mechanic, KC-130
 6075 - Cryogenics Equipment Operator
 6466 - Aircraft Forward Looking Infrared/Electro-Optical Technician
 6482 - Aircraft Electronic Countermeasures Systems Technician
 7011 - Aircraft Recovery Specialist

FY 1999

1171 - Hygiene Equipment Operator
 1316 - Metal Worker
 5811 - Military Police
 6035 - Aircraft Power Plants Test Cell Operator, Fixed Wing
 6135 - Aircraft Power Plants Test Cell Operator, Rotary Wing

The following MOS's will be deleted during Fiscal Years 1998 and 1999 because of significant retention success as a result of the SRB:

FY 1998

1161 - Refrigeration Mechanic
 1181 - Fabric Repair Specialist
 2141 - Assault Amphibious Vehicle Repairer/Technician
 2146 - Main Battle Tank Repairer/Technician
 2885 - Artillery Electronic Systems Repairer
 6035 - Aircraft Power Plants test Cell Operator, Fixed Wing
 6112 - Helicopter Mechanic, CH-46
 6135 - Aircraft Power Plants Test Cell Operator, Rotary Wing
 6313 - Aircraft Communications/Navigation/Radar Systems Technician

FY 1999

4611 - Graphics Specialist
 4615 - Combat Lithographer
 4653 - Combat Visual Information Equipment Technician
 4671 - Combat Photographer/Motion Media
 5914 - Surface Air Defense Systems Acquisition Technician
 5915 - Surface Air Defense Systems Fire Control Technician
 5918 - Surface Air Defense Systems Chief

10 Most Critical Skill Shortage Occupations

6467 - Consolidated Automatic Support Systems Technician
 6413 - Aircraft Navigation Systems Technician IFF/Radar/TACAN
 2871 - Test Measurement and Diagnostic Equipment Technician
 9919 - Marine Air Ground Task Force Plans/Operations Specialist
 2673 - Cryptologic Linguist, Korean
 2671 - Cryptologic Linguist, Arabic
 0842 - Field Artillery Radar Operator
 6494 - Computer System Technician, Honeywell DPS-6
 6030/32 - Aircraft Flight Engineer, KC-130
 2674 - Cryptologic Linguist, Spanish

10 Most Serious Skill Overage Occupations

6463 - Radar Test Station/Radar Systems Test Station Specialist
 5939 - Aviation Radio Technician
 0311 - Rifleman
 0151 - Administrative Clerk
 6432 - Aircraft Electrical/Instrument/Flight Control Systems Technician
 2534 - High Frequency Communication Central Operatro
 6013 - Aircraft Mechanic, A-6/EA-6
 6314 - UAV Avionics Technician
 3531 - Motor Vehicle Operator
 2532 - Multichannel Equipment Operator

REENLISTMENT BONUS

	FY 97 Actual			FY 98 Estimate			FY 99 Estimate			FY 00 Estimate			FY 01 Estimate			FY 02 Estimate			FY 03 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Prior Oblig	3,555	2021.10	7,185	3,824	1790.01	6,845	2,575	1791.46	4,613	1405	1779.36	2,500	1	2000.00	2	0	0.00	0	0	0.00	0
Acc Pymts	1	3000.00	3	25	3000.00	75	25	3000.00	75	25	3000.00	75	25	3000.00	75	25	3000.00	75	25	3000.00	75
Bud Year-97 Ini & Sub Anniv Pymts	1,414	5442.01	7,695																		
Bud Year-98 Ini & Sub Anniv Pymts				1,754	7327.82	12,853	1,754	2442.99	4,285	1754	2442.99	4,285	1,754	2442.99	4,285						
Bud Year-99 Ini & Sub Anniv Pymts							1,754	7555.30	13,252	1754	2518.81	4,418	1,754	2518.81	4,418	1754	2518.81	4,418			
Bud Year-00 Ini & Sub Anniv Pymts										1754	7781.64	13,649	1,754	2594.07	4,550	1754	2594.07	4,550	1754	2594.07	4,550
Bud Year-01 Ini & Sub Anniv Pymts													1,754	8015.39	14,059	1754	2672.18	4,687	1754	2672.18	4,687
Bud Year-02 Ini & Sub Anniv Pymts																1754	8255.42	14,480	1754	2752.00	4,827
Bud Year-03 Ini & Sub Anniv Pymts																			1754	8503.42	14,915
Ini Pymts	1,414		7,695	1,754		12,853	1,754		13,252	1,754		13,649	1,754		14,059	1754		14480	1754		14915
Anniv Pymts	3,556		7,188	3,849		6,920	4,354		8,973	4,938		11,278	5,288		13,330	5,287		13,730	5,287		14,139
Total SRB	4,970		\$14,883	5,603		\$19,773	6,108		\$22,225	6,692		24,927	7,042		27,389	7,041		28,210	7,041		29,054

PROJECT: G. Enlistment Bonus Program

FY 1997 Actual	\$3,615
FY 1998 Estimate	\$5,084
FY 1999 Estimate	\$5,084

PART I - PURPOSE AND SCOPE

The funds requested will provide a monetary incentive to entice highly qualified individuals to enlist for and serve in military skills that are classified as critical skill shortage occupations. This compensation is in accordance with provisions of 37 U.S.C. 308a. as amended by P.L. 97-60.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Because of increasing requirements for high quality recruits during a period of increasing demands from other services and the private sector for a declining number of high school graduates, the enlistment bonus award levels were decreased in recent years in order to offer bonuses to more individuals. Readiness will be adversely impacted if we are unable to produce service members with the necessary skills to perform the units' missions.

Details of the bonus award levels and number of bonus payments are provided in the following table:

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
New Payments									
\$1,000	145	\$1,000.00	\$145	150	\$1,000.00	\$150	146	\$1,000.00	\$146
\$2,000	801	2,000.00	1,602	655	2,000.00	1,310	620	2,000.00	1,240
\$3,000	14	3,000.00	42	215	3,000.00	645	50	3,000.00	150
\$3,500	0	3,500.00	0	0	3,500.00	0	0	3,500.00	0
\$4,000	0	4,000.00	0	0	4,000.00	0	0	4,000.00	0
\$4,500	0	4,500.00	0	0	4,500.00	0	0	4,500.00	0
\$5,000	0	5,000.00	0	0	5,000.00	0	0	5,000.00	0
Subtotal New Payments	960		\$1,789	1,020		\$2,105	816		\$1,536
Residual Payments									
\$1,000	242	\$1,000.00	\$242	484	\$1,000.00	\$484	278	\$1,000.00	\$278
\$1,500	0	1,500.00	0	0	1,500.00	0	0	1,500.00	0
\$2,000	656	2,000.00	1,312	723	2,000.00	1,446	1,050	2,000.00	2,100
\$3,000	2	3,000.00	6	328	3,000.00	984	390	3,000.00	1,170
\$3,500	0	3,500.00	0	0	3,500.00	0	0	3,500.00	0
\$4,000	18	4,000.00	72	10	4,000.00	40	0	4,000.00	0
\$4,500	2	4,500.00	9	0	4,500.00	0	0	4,500.00	0
\$5,000	37	5,000.00	185	5	5,000.00	25	0	5,000.00	0
Subtotal Residual Payments	957		\$1,826	1,550		\$2,979	1,718		\$3,548
Total Enlistment Bonus	1,917		\$3,615	2,570		\$5,084	2,534		\$5,084

Change from FY 1998 to FY 1999: No change.

ENLISTMENT BONUS

	FY97 Actual		FY98 Estimate		FY99 Estimate		FY00 Estimate		FY01 Estimate		FY02 Estimate		FY03 Estimate	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Prior Obligations	957	\$1,826												

FY97 New Payments	960	\$1,789												
Residual Payments			1,550	\$2,979										

FY98 New Payments			1,020	\$2,105										
Residual Payments					1718	\$3,548								

FY99 New Payments					816	\$1,536								
Residual Payments							1625	\$3,400						

FY00 New Payments							924	\$1,684						
Residual Payments									1,625	\$3,400				

FY01 New Payments									924	\$1,684				
Residual Payments											1,625	\$3,400		

FY02 New Payments											924	\$1,684		
Residual Payments													1,625	\$3,400

FY03 New Payments													924	\$1,684
Residual Payments														

New Payments	960	\$1,789	1,020	\$2,105	816	\$1,536	924	\$1,684	924	\$1,684	924	\$1,684	924	\$1,684
Residual Payments	957	\$1,826	1,550	\$2,979	1,718	\$3,548	1,625	\$3,400	1,625	\$3,400	1,625	\$3,400	1,625	\$3,400
Installments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total EB	1,917	\$3,615	2,570	\$5,084	2,534	\$5,084	2,549	\$5,084	2,549	\$5,084	2,549	\$5,084	2549	\$5,084

PROJECT: H. Basic Allowance for Quarters

FY 1997 Actual	\$282,532
FY 1998 Estimate	\$72,702
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

The funds requested are to provide for payment of a cash allowance for military personnel with or without dependents when they are not furnished government quarters. For individuals assigned to inadequate housing, the rate charged is the with dependent rate less the fair rental value for such quarters, not to exceed 75% of the occupants' Basic Allowance for Quarters.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Basic Allowance for Quarters is determined by multiplying the number of eligible personnel by the statutory rates to which each grade is entitled. The total requirement considers any changes in the projected number of personnel with dependents and personnel who will reside in government quarters.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). The FY 1998 BAQ amounts reflect payments for three months (October through December 1997). Effective 1 January 1998, the payments are included under BAH.

The computation of fund requirements is provided in the following table:

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Basic Allowance for Quarters With Dependents									
E-9.....	937	\$7,828.32	\$7,335	867	\$1,979.10	\$1,716	0	\$0.00	\$0
E-8.....	2,089	7,217.52	15,077	2,232	\$1,824.30	4,072	0	0.00	0
E-7.....	5,226	6,699.84	35,013	5,417	\$1,693.80	9,175	0	0.00	0
E-6.....	7,425	6,193.32	45,985	7,772	\$1,565.10	12,164	0	0.00	0
E-5.....	9,500	5,567.64	52,893	10,057	\$1,407.60	14,156	0	0.00	0
E-4.....	8,264	4,841.52	40,010	8,467	\$1,224.00	10,364	0	0.00	0
E-3.....	8,319	4,506.24	37,488	7,565	\$1,139.40	8,620	0	0.00	0
E-2.....	2,021	4,290.24	8,671	1,932	\$1,084.50	2,095	0	0.00	0
E-1.....	805	4,290.24	3,454	775	\$1,084.50	840	0	0.00	0
Total BAQ									
With Dependents	44,586	\$5,515.77	\$245,926	45,084	\$1,401.87	\$63,202	0	\$0.00	\$0
Basic Allowance for Quarters Without Dependents									
E-9.....	52	\$5,940.12	\$309	49	\$1,501.20	\$74	0	\$0.00	\$0
E-8.....	170	5,452.20	927	177	\$1,377.90	244	0	0.00	0
E-7.....	540	4,655.28	2,514	556	\$1,177.20	655	0	0.00	0
E-6.....	1,162	4,215.84	4,899	1,243	\$1,065.60	1,325	0	0.00	0
E-5.....	2,585	3,888.12	10,051	2,764	\$982.80	2,716	0	0.00	0
E-4.....	1,961	3,381.60	6,631	1,998	\$855.00	1,708	0	0.00	0
E-3.....	1,054	3,318.24	3,497	1,028	\$838.80	862	0	0.00	0
E-2.....	85	2,696.28	229	82	\$681.30	56	0	0.00	0
E-1.....	41	2,402.16	98	39	\$607.50	24	0	0.00	0
Total BAQ									
Without Dependents	7,650	\$3,811.11	\$29,155	7,936	\$965.73	\$7,664	0	\$0.00	\$0

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Partial BAQ									
E-9.....	8	\$223.20	\$2	8	\$55.80	\$0	0	\$0.00	\$0
E-8.....	18	183.60	3	19	\$45.90	1	0	0.00	0
E-7.....	75	144.00	11	77	\$36.00	3	0	0.00	0
E-6.....	314	118.80	37	335	\$29.70	10	0	0.00	0
E-5.....	3,597	104.40	376	3,844	\$26.10	100	0	0.00	0
E-4.....	14,615	97.20	1,421	14,885	\$24.30	362	0	0.00	0
E-3.....	31,948	93.60	2,990	31,160	\$23.40	729	0	0.00	0
E-2.....	17,547	86.40	1,516	16,916	\$21.60	365	0	0.00	0
E-1.....	11,555	82.80	957	11,141	\$20.70	231	0	0.00	0
Total Partial BAQ	79,677	\$91.78	\$7,313	78,385	\$22.98	\$1,801	0	\$0.00	\$0
Substandard Housing									
E-9.....	0	\$1,957.08	\$0	0	\$494.79	\$0	0	\$0.00	\$0
E-8.....	1	1,804.38	2	1	\$456.09	0	0	0.00	0
E-7.....	3	1,674.96	5	3	\$423.45	1	0	0.00	0
E-6.....	7	1,548.33	11	7	\$391.29	3	0	0.00	0
E-5.....	15	1,391.91	21	15	\$351.90	5	0	0.00	0
E-4.....	26	1,210.38	31	26	\$306.00	8	0	0.00	0
E-3.....	49	1,126.56	55	49	\$284.85	14	0	0.00	0
E-2.....	10	1,072.56	11	10	\$271.14	3	0	0.00	0
E-1.....	2	1,072.56	2	2	\$271.14	1	0	0.00	0
Total Substandard Housing	113	\$1,221.24	\$138	113	\$309.73	\$35	0	\$0.00	\$0
Total Basic Allowance for Quarters.....	132,026		\$282,532	131,518		\$72,702	0		\$0

Change from FY 1998 to FY 1999: Payment of the new basic allowance for housing (BAH) entitlement beginning 1 Jan 98 replaces BAQ.

PROJECT I: Variable Housing Allowance

FY 1997 Actual	\$81,784
FY 1998 Estimate	\$21,070
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

The funds requested provide for payment of Variable Housing Allowance (VHA) as authorized under 37 U.S.C. 403, to members with or without dependents living in geographic locations within the United States which are high cost areas. A member with dependents who is assigned an unaccompanied tour of duty outside the U.S. is entitled to a Variable Housing Allowance for any period during which the member's dependents reside in an area of the U.S. where, if the member were assigned to duty in that area, the member would be entitled to receive a VHA.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The VHA is computed by multiplying the number of eligible enlisted by the average rates experienced in the prior year.

Congress approved in the FY 1998 National Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). The FY 1998 VHA amounts reflect payments for three months (October through December 1997). Effective 1 January 1998, the payments are included under BAH.

	FY 1997 Actual			(In Thousands of Dollars) FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
E-9.....	747	\$3,431.06	\$2,563	691	\$862.52	\$596	0	\$0.00	\$0
E-8.....	1,873	2,757.07	5,164	1,996	696.89	1,391	0	0.00	0
E-7.....	5,296	2,301.74	12,190	5,486	577.11	3,166	0	0.00	0
E-6.....	7,694	2,007.93	15,449	8,079	503.53	4,068	0	0.00	0
E-5.....	10,553	1,785.65	18,844	11,197	446.46	4,999	0	0.00	0
E-4.....	8,445	1,660.86	14,026	8,643	420.69	3,636	0	0.00	0
E-3.....	7,309	1,599.95	11,694	6,708	410.70	2,755	0	0.00	0
E-2.....	1,025	1,485.85	1,523	980	384.69	377	0	0.00	0
E-1.....	198	1,671.72	331	191	429.32	82	0	0.00	0
Total VHA	43,140	\$1,895.78	\$81,784	43,971	\$479.18	\$21,070	0	\$0.00	\$0

Change from FY 1998 to FY 1999: Payment of the new basic allowance for housing (BAH) entitlement beginning 1 Jan 98 replaces VHA.

PROJECT: H. Basic Allowance for Housing

FY 1997 Actual	\$0
FY 1998 Estimate	\$288,143
FY 1999 Estimate	\$401,062

PART I - PURPOSE AND SCOPE

Congress approved in the FY 1998 Defense Authorization Act the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). Payment to service members is authorized by revisions to 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1998 amounts for BAH reflect the 1 January 1998 start date for BAH and include a 2.5 percent increase which is a composite of the 2.8 percent rate applicable to BAQ and the 1.4 percent rate applicable to VHA. The FY 1999 amount reflects a full year's cost and includes a 2.8 percent increase which is a composite of the 3.1 percent rate applicable to BAQ and the 1.5 percent rate applicable to VHA. This increase is the estimated housing rate increase that will result from the contractor generated surveys of actual housing costs which will be completed during FY 1998.

Detailed cost computations are provided by the following table:

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Basic Allowance for Housing With Dependents									
E-9.....	0	\$0.00	\$0	867	\$8,102.65	\$7,025	819	\$11,023.20	\$9,028
E-8.....	0	0.00	0	2,232	\$7,387.54	16,489	2,302	\$10,051.69	23,139
E-7.....	0	0.00	0	5,417	\$6,853.98	37,128	5,608	\$9,324.89	52,294
E-6.....	0	0.00	0	7,772	\$6,221.69	48,355	8,074	\$8,466.06	68,355
E-5.....	0	0.00	0	10,057	\$5,553.35	55,850	10,156	\$7,557.40	76,753
E-4.....	0	0.00	0	8,467	\$4,831.23	40,906	8,840	\$6,574.55	58,119
E-3.....	0	0.00	0	7,565	\$4,461.34	33,750	7,853	\$6,071.44	47,679
E-2.....	0	0.00	0	1,932	\$3,893.89	7,523	1,944	\$5,304.53	10,312
E-1.....	0	0.00	0	775	\$3,603.87	2,793	771	\$4,910.51	3,786
Total BAH With Dependents	0	\$0.00	\$0	45,084	\$5,541.19	\$249,819	46,367	\$7,536.93	\$349,465
Basic Allowance for Housing Without Dependents									
E-9.....	0	\$0.00	\$0	49	\$6,183.67	\$303	47	\$8,489.36	\$399
E-8.....	0	0.00	0	177	\$5,932.20	1,050	180	\$8,061.11	1,451
E-7.....	0	0.00	0	556	\$5,066.55	2,817	559	\$6,892.67	3,853
E-6.....	0	0.00	0	1,243	\$4,519.71	5,618	1,246	\$6,148.48	7,661
E-5.....	0	0.00	0	2,764	\$4,121.20	11,391	2,716	\$5,605.30	15,224
E-4.....	0	0.00	0	1,998	\$3,695.70	7,384	1,984	\$5,024.70	9,969
E-3.....	0	0.00	0	1,028	\$3,766.54	3,872	1,021	\$5,119.49	5,227
E-2.....	0	0.00	0	82	\$3,109.76	255	82	\$4,243.90	348
E-1.....	0	0.00	0	39	\$3,153.85	123	39	\$4,282.05	167
Total BAH Without Dependents	0	\$0.00	\$0	7,936	\$4,134.70	\$32,813	7,874	\$5,625.98	\$44,299

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Partial BAH									
E-9.....	0	\$0.00	\$0	8	\$167.40	\$1	7	\$223.20	\$2
E-8.....	0	0.00	0	19	\$137.70	3	19	\$183.60	3
E-7.....	0	0.00	0	77	\$108.00	8	78	\$144.00	11
E-6.....	0	0.00	0	335	\$89.10	30	336	\$118.80	40
E-5.....	0	0.00	0	3,844	\$78.30	301	3,778	\$104.40	394
E-4.....	0	0.00	0	14,885	\$72.90	1,085	14,780	\$97.20	1,437
E-3.....	0	0.00	0	31,160	\$70.20	2,188	30,953	\$93.60	2,897
E-2.....	0	0.00	0	16,916	\$64.80	1,096	16,801	\$86.40	1,452
E-1.....	0	0.00	0	11,141	\$62.10	692	11,066	\$82.80	916
Total Partial BAH	0	\$0.00	\$0	78,385	\$68.94	\$5,404	77,818	\$91.91	\$7,152
Substandard Housing									
E-9.....	0	\$0.00	\$0	0	\$1,525.86	\$0	0	\$2,081.82	\$0
E-8.....	0	0.00	0	1	\$1,406.52	1	1	1,918.98	2
E-7.....	0	0.00	0	3	\$1,305.93	4	3	1,781.70	5
E-6.....	0	0.00	0	7	\$1,206.69	8	7	1,646.34	12
E-5.....	0	0.00	0	15	\$1,085.25	16	15	1,480.65	22
E-4.....	0	0.00	0	26	\$943.71	25	26	1,287.54	33
E-3.....	0	0.00	0	49	\$878.49	43	49	1,198.53	59
E-2.....	0	0.00	0	10	\$836.13	8	10	1,140.78	11
E-1.....	0	0.00	0	2	\$836.13	2	2	1,140.78	2
Total Substandard Housing	0	\$0.00	\$0	113	\$946.90	\$107	113	\$1,292.04	\$146
Total Basic Allowance for Housing.....	0		\$0	131,518		\$288,143	132,172		\$401,062

Change from FY 1998 to FY 1999: The increase of \$112,919 from \$288,143 in FY 1998 to \$401,062 in FY 1999 reflects a full year's BAH cost and includes annualization of the FY 1998 housing rate increase, the FY 1999 housing rate increase, and a decrease in the availability of government quarters. This increase is offset by a decrease in average strength.

PROJECT: J. Overseas Station Allowances

FY 1997 Actual	\$65,325
FY 1998 Estimate	\$64,881
FY 1999 Estimate	\$56,868

PART I - PURPOSE AND SCOPE

The funds requested will help to defray the excess costs of food, lodging, and related incidental expenses experienced by enlisted personnel and their dependents on permanent duty outside the contiguous United States as prescribed by Joint Federal Travel Regulations and authorized under the provisions of Title 37 United States Code 405.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The index for FY1998-1999 is 130 as of 15 January 1997. The rates for COLA reflect a pay raise effective 1 January of 2.8% in FY 1998 and 3.1% in FY 1999.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Barracks Cost of Living	14,780	\$1,539.65	\$22,756	14,780	\$1,529.42	\$22,605	14,780	\$1,342.49	\$19,842
Cost of Living Regular	7,086	\$4,391.19	31,116	7,086	\$4,362.20	30,911	7,086	\$3,829.10	27,133
Housing	469	\$6,784.65	3,182	469	\$6,738.97	3,161	469	\$5,865.67	2,751
Temporary Lodging Allowance	3,996	\$2,069.82	8,271	3,996	\$2,053.00	8,204	3,996	\$1,787.29	7,142
Total Station Allowances	26,331		\$65,325	26,331		\$64,881	26,331		\$56,868

Change from FY 1998 to FY 1999: The decrease of \$8,013 from \$64,881 in FY 1998 to \$56,868 in FY 1999 is due to favorable foreign currency exchange rates offset by the annualization of the FY 1998 pay raise, the FY 1999 pay raise, and inflation applied to housing and temporary lodging allowance.

PROJECT: K. CONUS Cost of Living Allowance (COLA)

FY 1997 Actual	\$2,062
FY 1998 Estimate	\$2,105
FY 1999 Estimate	\$2,169

PART I - PURPOSE AND SCOPE

As part of the DOD Quality of Life (QOL) actions, the funds requested will provide for payment of a cost of living allowance (COLA) to members of the Uniformed Services who are assigned to high cost areas in the continental United States(CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense and cannot be less than eight percent. The amount of COLA payable is the product of spendable income (based on regular military compensation) times the difference between the COLA index for the individual's high cost area and the threshold percentage. This allowance was authorized by the FY 1995 DOD Authorization Act.

PART II - JUSTIFICATION OF FUNDS REQUESTED

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate.

The computation of fund requirements is provided in the following tables:

(In Thousands of Dollars)								
FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
7,489	\$275.34	\$2,062	7,489	\$281.08	\$2,105	7,489	\$289.62	\$2,169

Change from FY 1998 to FY 1999: The increase of \$64 from \$2,105 in FY 1998 to \$2,169 in FY 1999 is the result of the annualization of the FY 1998 pay raise and the FY 1999 pay raise.

PROJECT: L. Clothing Allowances

FY 1997 Actual	\$66,929
FY 1998 Estimate	\$74,780
FY 1999 Estimate	\$76,519

PART I - PURPOSE AND SCOPE

The funds requested will provide payments to enlisted personnel for prescribed clothing as authorized by United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 7. This request includes the following types of clothing allowances:

- Initial military clothing allowances for recruits, broken-service reenlistees, & officer candidates.
- Initial civilian clothing allowances for selected individuals assigned duties in which civilian clothing is required (i.e., criminal investigators).
- Supplementary clothing allowances for personnel assigned to special organizations or details where the nature of the duties to be performed requires additional items.
- Basic clothing maintenance allowance is a cash payment paid to enlisted personnel from the sixth through the thirty-sixth month of service.
- Standard clothing maintenance allowance is a cash payment paid to enlisted personnel from the thirty-seventh month and each month thereafter.
- Beginning with Fiscal Year 1986 clothing maintenance allowances are paid on an annual vice a monthly basis.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Initial clothing allowances are determined by the types of accessions programmed. The clothing maintenance allowance is determined by the average strength and longevity of the enlisted force. Supplementary clothing allowance estimates are based on the number of individuals programmed for assignment to special details or organizations.

The computation of fund requirements is provided in the following table:

(In Thousands of Dollars)									
	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
(1) Initial									
(a) Military Clothing									
Civilian Life, Men(New Recruit)	27,875	\$907.30	\$25,291	27,235	\$1,022.80	\$27,856	27,931	\$1,038.14	\$28,996
Civilian Life, Men(New Recruit)Partial	4,129	317.56	1,311	4,142	357.98	1,483	4,247	363.35	1,543
Civilian Life, Women(New Recruit)	1,911	\$1,169.59	2,235	2,040	\$1,288.30	2,628	2,232	\$1,307.62	2,919
Civilian Life, Women(New Recruit)Partial	568	409.36	233	510	450.91	230	558	457.67	255
Broken Reenl, Non-Obligors	25	907.30	23	1	1,022.80	1	0	1,038.14	0
Broken Reenl, Obligors	74	181.46	13	4	204.56	1	0	207.63	0
Officer Candidates	758	471.80	358	739	531.86	393	549	539.83	296
Temporary Reversions	11	471.80	5	0	531.86	0	0	539.83	0
Subtotal	35,351		\$29,469	34,671		\$32,592	35,517		\$34,009
(b) Civilian Clothing									
Winter and Summer	175	\$1,232.00	\$216	175	\$1,270.00	\$222	175	\$1,289.00	\$226
Winter or Summer	0	796.00	0	0	813.00	0	0	825.00	0
Temporary Duty	173	455.00	79	173	465.00	80	173	472.00	82
Special Continuing-Dual Season	88	616.00	54	88	635.00	56	88	644.50	57
Civilian State Department	700	1,232.00	862	700	1,270.00	889	700	1,289.00	902
Subtotal	1,136		\$1,211	1,136		\$1,247	1,136		\$1,267
TOTAL INITIAL			\$30,680			\$33,839			\$35,276

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
(2) Basic Maintenance Male	59,129	\$187.20	\$11,069	56,686	\$216.00	\$12,244	56,059	\$219.24	\$12,290
Standard Maintenance Male	73,728	\$266.40	19,641	75,556	\$306.00	23,120	75,053	\$310.59	23,311
Basic Maintenance Female	3,641	\$219.60	800	3,490	\$248.40	867	3,451	\$252.13	870
Standard Maintenance Female	3,635	\$313.20	1,138	3,725	\$352.80	1,314	3,701	\$358.09	1,325
Total Maintenance	140,133		\$32,648	139,457		\$37,545	138,264		\$37,796
(3) Supplementary Allowance	10,065	\$330.45	\$3,326	10,065	\$337.39	\$3,396	10,065	\$342.45	\$3,447
(4) Advance Funding for New Clothing Items			275			0			0
Total Clothing Allowance			\$66,929			\$74,780			\$76,519

Change from FY 1998 to FY 1999: The increase of \$1,739 from \$74,780 in FY 1998 to \$76,519 in FY 1999 is primarily the result of an increase in initial issues and the FY 1999 inflation factors, offset by the decrease in maintenance payments.

PROJECT: M. Family Separation Allowance

FY 1997 Actual	\$9,559
FY 1998 Estimate	\$12,702
FY 1999 Estimate	\$12,576

PART I - PURPOSE AND SCOPE

The funds requested are to equitably reimburse members of the Uniformed Services involuntarily separated from their dependents for the average extra expenses that result from the separation as authorized under Title 37 United States Code 427.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of allowance by the statutory rate applicable.

The Marine Corps supports the FY 1998 National Defense Authorization Act that increased the FSA payment from \$75 to \$100 per month for those members in TDY and PCS status.

The computation of fund requirements is provided in the following tables:

	(In Thousands of Dollars)								
	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
On PCS with Dependents not authorized.....	6,135	\$900.00	\$5,522	6,100	\$1,200.00	\$7,320	5,995	\$1,200.00	\$7,194
On Board Ship for More Than Thirty Days	183	\$900.00	\$165	183	\$1,200.00	\$220	183	\$1,200.00	\$220
On TDY for More Than Thirty Days with Dependents not residing near TDY station.....	4,302	\$900.00	\$3,872	4,302	\$1,200.00	\$5,162	4,302	\$1,200.00	\$5,162
Total Family Separation Allowance.....	10,620		\$9,559	10,585		\$12,702	10,480		\$12,576

Change from FY 1998 to FY 1999: The decrease of \$126 from \$12,702 in FY 1998 to \$12,576 in FY 1999 is the result of the decrease in the number of unaccompanied tours.

PROJECT: N. Separation Payments

FY 1997 Actual	\$58,743
FY 1998 Estimate	\$60,291
FY 1999 Estimate	\$62,104

PART I - PURPOSE AND SCOPE

The funds requested will provide payments for:

- Unused accrued leave to enlisted personnel discharged from active duty under honorable conditions as authorized by United States Code Title 37, Pay and Allowances of the Uniformed Services, Chapter 9.
- Severance pay to enlisted personnel who are disabled, as authorized by United States Code Title 10, Armed Forces, Chapter 61, Retirement or Separation, including elimination severance pay to enlisted not eligible for retirement, as authorized by United States Code, Title 10, Armed Forces, Chapter 59, Separation.
- Donations (not to exceed \$25) to each Marine prisoner upon his release from confinement under court martial sentence involving other than honorable discharge and to each person discharged from the Marine Corps for fraudulent enlistment.
- Voluntary Separation Incentive (VSI) and Special Separation Benefit (SSB) payments to enlisted personnel who are encouraged to leave active duty voluntarily, as authorized in Sections 1174a and 1175 of Title 10, United States Code (enacted in the FY 1992 National Defense Authorization Act, Public Law 102-190).
- Early Retirement- The FY 1993 Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving their drawdown goals of maintaining readiness and treating people fairly. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Members approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent X the years of service X basic pay (adjusted for COLA) X reduction factor. For members who leave under the early retirement program, the Marine Corps is required to establish a subaccount within the Military Personnel Appropriation to fund up front all early retirement payments including cost of living adjustments, which will cover the entire initial period. This period is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use VSI, SSB and the early retirement programs terminates on 01 October 1999.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Separation payments are determined by multiplying the projected number eligible for each type of payment by the average payment applicable based on past experience.

The computation of fund requirements is provided in the following table:

(In Thousands of Dollars)

	FY 1997 Actual				FY 1998 Estimate				FY 1999 Estimate			
Lump Sum Terminal Leave Payments	Number	Avg Days	Avg Rate	Amount	Number	Avg Days	Avg Rate	Amount	Number	Avg Days	Avg Rate	Amount
E-9.....	123	19	\$2,109.74	\$259	126	19	\$2,168.81	\$273	118	19	\$2,236.05	\$264
E-8.....	453	20	\$1,746.72	791	452	20	\$1,795.63	812	430	20	\$1,851.29	796
E-7.....	1,087	25	\$1,865.34	2,028	1092	25	\$1,917.57	2,094	1064	25	\$1,977.01	2,104
E-6.....	1,885	27	\$1,731.29	3,263	1700	27	\$1,779.77	3,026	1704	27	\$1,834.94	3,127
E-5.....	4,894	19	\$958.97	4,693	4796	19	\$985.82	4,728	4842	19	\$1,016.38	4,921
E-4.....	10,202	13	\$560.43	5,718	10539	13	\$576.12	6,072	10732	13	\$593.98	6,375
E-3.....	3,932	16	\$594.58	2,338	4188	16	\$611.23	2,560	4260	16	\$630.18	2,685
E-2.....	1,118	15	\$493.83	552	1167	15	\$507.66	592	1191	15	\$523.39	623
E-1.....	1,090	14	\$408.95	446	1001	14	\$420.40	421	988	14	\$433.43	428
Total....	24,784			\$20,088	25,061			\$20,578	25,329			\$21,323
Severance Pay, Disability	1,985		\$10,461.96	\$20,767	1,985		\$10,754.89	\$21,348	1,985		\$11,088.30	\$22,010
Authorized Donations	499		20.00	\$10	499		20.00	\$10	499		20.00	\$10
Severance Pay, Non-Disability												
Involuntary - Half Pay	385			\$4,442	385			\$4,566	385			\$4,707
Involuntary - Full Pay	523			\$12,567	523			\$12,920	523			\$13,319
Voluntary - SSB	0			\$0	0			\$0	0			\$0
Voluntary Separation Incentive												
Initial payment	0			\$0	0			\$0	0			\$0
Trust Fund payment	0			\$869	0			\$869	0			\$735
Early Retirement Program				\$0				\$0				\$0
Total Separation Pay				\$58,743				\$60,291				\$62,104

Change from FY 1998 to FY 1999: The increase of \$1,813 from \$60,291 in FY 1998 to \$62,104 in FY 1999 is the result the FY 99 pay raise and an increase in lump sum leave payments, offset by a decrease in the VSI Trust Fund payment.

PROJECT: O. Social Security Tax-Employer's Contribution

FY 1997 Actual	\$215,417
FY 1998 Estimate	\$221,608
FY 1999 Estimate	\$224,831

PART I - PURPOSE AND SCOPE

Funds requested represent the Government's contribution (as an employer) as required by the Federal Insurance Contribution Act under provision of 26 U.S.C. 3101, 3111 and P.L. 98-21 "Social Security Amendment of 1983." Funds requested for military service credits reflect the administration's decision to have DOD rather than Health and Human Services fund military service social security wage credits for non-wage income effective 1 October 1987.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Government's contribution of Social Security costs is based on the percentage rate set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983 established the tax rate while the maximum taxable income is determined by the Social Security Administration. There is no wage cap on the 1.45% medical contribution.

Taxable income ceilings for OASDI are as follows:

Calendar Year 1997	- 7.65% on first \$65,400 and 1.45% on the remainder.
Calendar Year 1998	- 7.65% on first \$68,100 and 1.45% on the remainder.
Calendar Year 1999	- 7.65% on first \$71,100 and 1.45% on the remainder.

Funding for FY 1997, FY 1998 and FY 1999 includes employer's contribution to Social Security for which military members receive wage credit but no social security tax (i.e., quarters and subsistence allowances). DOD makes direct payments to the Social Security Trust Funds based on Health and Human Services (HHS) estimates to cover the cost of these additional credits.

The computation of fund requirements is provided in the following table:

(In Thousands of Dollars)									
	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Avg Rate	Amount	Number	Avg Rate	Amount	Number	Avg Rate	Amount
Serv Credits	155,560	\$1,227.83	\$191,001	155,164	\$1,276.87	\$198,125	154,126	\$1,313.70	\$202,475
Non-Entitled			\$25,429			\$24,568			\$23,473
			(1,013)			(1,085)			(1,117)
Total FICA			\$215,417			\$221,608			\$224,831
Change from FY 1998 to FY 1999: The increase of \$3,223 from \$221,608 in FY 1998 to \$224,831 in FY 1999 is the result of the annualization of the FY 1998 pay raise, and the FY 1999 pay raise, offset by the decrease in average strength.									
Total Pay & Allowances Enlisted			\$4,134,113			\$4,247,752			\$4,334,953
Less: Reimbursables			7,360			7,910			7,961
Total Direct Program			\$4,126,753			\$4,239,842			\$4,326,992

SUBSISTENCE OF ENLISTED PERSONNEL
MILITARY PERSONNEL, MARINE CORPS
SCHEDULE OF INCREASES AND DECREASES
(DOLLARS IN THOUSANDS)

BUDGET ACTIVITY 4

	AMOUNT
FY 1998 DIRECT PROGRAM	\$338,774
INCREASES:	
Basic Allowance for Subsistence -	\$9,117
The increase is due to the annualization of the FY 1998 pay raise (1%), and the FY 1999 pay raise (3.0%). The 3.0% BAS increase is comprised of two components, 1% increase for pay raise and 2.0% for Partial BAS payments.	
Subsistence in Kind -	\$944
The increase is due to inflation offset by a decrease in average strength and rations.	
TOTAL INCREASES	\$10,061
FY 1999 DIRECT PROGRAM	\$348,835

PROJECT: A. Basic Allowance for Subsistence

FY 1997 Actual	\$207,154
FY 1998 Estimate	\$219,329
FY 1999 Estimate	\$228,436

PART I - PURPOSE AND SCOPE

The funds requested provide for the payment of subsistence allowances to active duty enlisted personnel under the provisions of 37 U.S.C. 402. It includes allowances when the individual is authorized to subsist separately, when the member is in a leave status, and when rations in kind are not available.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The funding requirement is based on the average number of enlisted personnel entitled to receive the several types of allowances. The computation of fund requirements is provided in the following tables:

	CY 1997	CY 1998	CY 1999
Authorized to Subsist Separately	\$7.36	\$7.43	\$7.50
Leave Rations E1 under 4 Months	6.79	6.86	6.93
Rations in Kind Not Available	8.30	8.38	8.46

Starting in FY 1998, Basic Allowance for Subsistence (BAS) reform was initiated by authorizing a Partial BAS payment to enlisted personnel. The Partial BAS is a cost neutral effort to provide all eligible personnel with a BAS payment. The growth of BAS is limited to one percent per year in order to allow the Department to make Partial BAS payments with the remaining pay raise resources to members receiving Subsistence-in-Kind. Projected increase in cost growth will allow the U. S. Department of Agriculture food plan to catch up with the BAS payment in approximately six years, at which time all enlisted personnel will be entitled to a BAS payment.

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Av. Rate	Amount	Number	Av. Rate	Amount	Number	Av. Rate	Amount
(1) When Authorized to Subsist Separately	57,006	\$2,667.08	\$152,040	57,869	\$2,705.51	\$156,565	57,515	\$2,731.06	\$157,077
(2) Leave Rations	10,257	2,667.08	\$27,356	10,409	2,705.51	28,162	10,338	2,731.06	28,234
E1 under 4 months	145	2,459.95	\$357	141	2,497.46	352	139	2,523.01	351
(3) When Rations in Kind Not Available	9,111	3,007.42	\$27,401	9,346	3,051.34	28,518	9,295	3,080.54	28,634
Total	76,519		\$207,154	77,765		\$213,597	77,287		\$214,296
(4) Partial BAS				67,730	84.63	5,732	66,878	211.43	14,140
Gross BAS			\$207,154	145,495		\$219,329	144,165		\$228,436
Less Reimbursables			31			26			16
Total Direct Program			\$207,123			\$219,303			\$228,420

Change from FY 1998 to FY 1999: Basic Allowance for Subsistence increase of \$9,107 from \$219,329 in FY 1998 to \$228,436 in FY 1999 is due to increases in pay raise and Partial BAS offset by a decrease in average strength.

PROJECT: B. Subsistence in Kind

Actual - FY 1997	\$134,641
Estimate - FY 1998	\$131,779
Estimate - FY 1999	\$134,007

PART I - PURPOSE AND SCOPE

The funds requested provide for rations furnished eligible military personnel when they do not receive a cash allowance for subsistence (10 U.S.C. 6081(a)). It also provides for the new or improved subsistence items being introduced into the military supply system, losses of material due to spoilage, and flight meals under 10 U.S.C 6085.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The requirement is based on the number of rations furnished to military personnel that are entitled to subsist in Marine Corps messes. The ration rates are based on the Basic Daily Food Allowance escalated to account for inflation.

The computation of funding requirements is provided in the following tables:

	FY 1997	FY 1998	FY 1999
Personnel Statistics			
(1) Average Enlisted Strength Marines	155,560	155,164	154,126
(2) Less Number provided for elsewhere (average strength equivalent):			
a. On Monetary Allowances	78,441	77,763	77,285
b. Operational rations consumed for Operating and Training			
(1) Meal, Ready To Eat (MRE)	5,750	5,730	5,692
(2) B-ration Field Issue	2,311	2,189	2,174
(3) T-ration Field Issue	755	790	784
Total Deductions	87,257	86,472	85,935
(3) Marine enlisted entitled to be subsisted	68,303	68,692	68,191

Personnel Statistics (Continued)

4. Plus: Other Services entitled to subsist in Marine messes	945	917	904
5. Minus: Marines entitled to subsist in other Services messes.	8,776	8,749	8,691
Total entitled to subsist in messes	60,472	60,860	60,404

Distribution of Total Entitled to Subsist in Marine Corps Messes

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Absent	Number	Number	Absent	Number	Number	Absent	Number
CONUS MARINES OTHERS	45,241 627	48.0%	23,570 627	45,557 610	48.0%	23,739 610	45,220 602	48.0%	23,564 602
OVERSEAS MARINES OTHERS	14,286 318	50.0%	7,149 318	14,386 307	50.0%	7,193 307	14,280 302	50.0%	7,140 302
TOTAL	60,472		31,664	60,860		31,849	60,404		31,608

Subsistence in Messes

(In Thousands of Dollars)

	FY 1997 Actual				FY 1998 Estimate				FY 1999 Estimate			
	Net Avg Str	Rate Per Day	Per Annum	Amount	Net Avg Str	Rate Per Day	Per Annum	Amount	Net Avg Str	Rate Per Day	Per Annum	Amount
CONUS												
Marine	23,570	\$5.63	\$2,054.95	\$48,435	23,739	\$5.48	\$2,000.20	\$47,483	23,564	\$5.56	\$2,029.40	\$47,821
Others	627	5.63	\$2,054.95	1,288	610	5.48	\$2,000.20	1,220	602	5.56	\$2,029.40	1,222
OVERSEAS												
Marine	7,149	6.29	\$2,295.85	16,413	7,193	6.37	\$2,325.05	16,724	7,140	6.47	\$2,361.55	16,861
Others	318	6.29	\$2,295.85	730	307	6.37	\$2,325.05	714	302	6.47	\$2,361.55	713
TOTAL	31,664			\$66,866	31,849			\$66,141	31,608			\$66,617

Change from FY 1998 to FY 1999: Increase of \$476 from \$66,141 in FY 1998 to \$66,617 in FY 1999 is due to inflation offset by a decrease in average strength.

Operational Rations

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Quantity	Rate	Amount	Quantity	Rate	Amount	Quantity	Rate	Amount
1 Meal, Ready To Eat (MRE)(Box) w/Fuel Bar Trioxane	524,655 0	\$76.76 \$0.58	\$40,273 \$0	522,903 1,500	\$73.03 \$0.50	\$38,188 \$1	519,405 1,490	\$74.13 \$0.51	\$38,503 \$1
2. Flameless Ration Heater (FRH)(Each)	52,128	\$0.61	\$32	0	\$0.60	\$0	0	\$0.61	\$0
3. Bread Shelf Stable (BBS)(Each)	527,083	\$0.48	\$253	525,420	\$0.49	\$257	521,905	\$0.50	\$261
4. Rations Cold Weather (RCW)(Box)	22,458	\$83.89	\$1,884	6,387	\$81.83	\$523	6,344	\$83.06	\$527
5. T-Rations	275,400	\$10.03	\$2,762	288,258	\$9.91	\$2,857	286,330	\$10.06	\$2,880
6. Flight Rations			\$19			\$19			\$19
7. B-Rations (Unitized) B-ration (Bulk)	843,600 0	\$9.35 \$6.78	\$7,888 \$0	798,892 0	\$9.35 \$6.88	\$7,470 \$0	793,548 0	\$9.49 \$6.98	\$7,531 \$0
TOTAL			<u>\$53,111</u>			<u>\$49,315</u>			<u>\$49,722</u>

Change from FY 1998 to FY 1999: Increase of \$407 from \$49,315 in FY 1998 to \$49,722 in FY 1999 is due to inflation offset by the number of rations.

(In Thousands of Dollars)

	FY 1997 Actual Amount	FY 1998 Estimate Amount	FY 1999 Estimate Amount
Augmentation Rations			
1. Supplemental Rations	\$2,764	\$2,822	\$2,864
Other Programs			
1. New Food Program	\$2	\$2	\$2
2. Inventory Adjustment Due to Surveys	\$18	\$18	\$18
3. Food Import Embargo	\$780	\$795	\$808
4. Host Country Feeding	\$370	\$378	\$384
Sale of Meals	\$10,730	\$12,308	\$13,592
Total Subsistence in Kind Requirements	\$134,641	\$131,779	\$134,007
Change from FY 1998 to FY 1999:	The increase of \$1,108 from \$130,426 in FY 1998 to \$131,534 in FY 1999 is due to inflation and increased ration requirements.		
Total Program	\$341,795	\$351,108	\$362,443
Less Reimbursable Program	10,761	12,334	13,608
Total Direct Program	\$331,034	\$338,774	\$348,835

MILITARY PERSONNEL, MARINE CORPS
SCHEDULE OF INCREASES AND DECREASES
PERMANENT CHANGE OF STATION TRAVEL
(IN THOUSANDS OF DOLLARS)

BUDGET ACTIVITY 5		AMOUNT
FY98 DIRECT BUDGET		\$221,199
INCREASES:		
Program Increases		
Increase in Dependent Commerical Air		61
Increase in ITGBL		10
Increase in Member Travel		342
Increase in Dependent Travel		426
Increase in Member AMC		294
Increase in MSC Cargo		124
Increase in MSC POV		59
Increase Port Handling Cargo		17
Increase Port Handling POV		44
Increase in Trailer Allowance		12
Increase in DLA		494
Increase in AMC Cargp		447
Projected Inflation Increases:		
Increase in Commercial Air Member	1.50%	509
Increase in Dependent Commercial Air	1.50%	84
Increase in Dependent Travel	1.50%	8
Increase in ICC	1.50%	1,523
Increase in ITGBL	1.50%	1,037
Increase in Member AMC	4.00%	456
Increase in Dependent AMC	4.00%	89
Increase in AMC Cargo	5.00%	125
Increase in Member Travel	1.50%	77
Increase in MSC POV	0.60%	4
Increase in Nontemporary Storage	1.50%	120
Increase in Trailer Allowance	1.50%	10
Rate Increases		
Pay Raise		438
Annualization of Pay Raise		144
TOTAL INCREASES		\$6,954

DECREASES:

Program Decreases

Decrease in TLE	(157)
Decrease in Member Commercial Air	(144)
Decrease in Dependent AMC	(72)
Decrease in ICC	(5)
Decrease in Nontemporary Storage	(186)

TOTAL DECREASES:

Decrease in Port Handling Cargo	-1.20%	(7)
Decrease in Port Handling POV	-1.20%	(13)
Decrease in MSC Cargo	-8.80%	(36)

TOTAL DECREASES

(\$620)

FY99 DIRECT PROGRAM

\$227,533

BUDGET ACTIVITY 5 - PERMANENT CHANGE OF STATION TRAVEL
SUMMARY OF PROJECT REQUIREMENTS MOVES
(In Thousands of Dollars)

	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	Moves	Amount	Moves	Amount	Moves	Amount
ACCESSION TRAVEL	36,189	\$28,637	35,632	\$28,952	36,554	\$30,096
TRAINING TRAVEL	3,515	4,589	3,680	5,015	3,668	5,071
OPERATION TRAVEL	12,475	60,483	10,590	52,018	10,531	52,995
ROTATION TRAVEL	17,312	81,562	17,079	84,235	17,268	87,581
SEPARATION TRAVEL	37,139	41,273	36,384	41,309	36,856	42,014
TRAVEL OF ORGANIZED UNITS	359	515	693	644	703	771
NON-TEMPORARY STORAGE		3,592		4,705		4,726
TEMPORARY LODGING EXPENSE		2,044		2,954		2,802
IN-PLACE CONSECUTIVE OVERSEAS TOURS/ OVERSEAS TOUR EXTENSION INCENTIVE PROGRAM		1,668		1,658		1,698
TOTAL OBLIGATIONS		\$224,363		\$221,490		\$227,754
LESS REIMBURSABLE PROGRAM		(\$289)		(\$291)		(\$221)
TOTAL DIRECT PROGRAM	106,989	\$224,074	104,058	\$221,199	105,580	\$227,533

PERMANENT CHANGE OF STATION
SUMMARY OF REQUIREMENTS
(In Thousands of Dollars)

	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	No.	Amount	No.	Amount	No.	Amount
Travel of Military Member	106,989	\$61,443	104,058	\$60,976	105,580	\$62,939
Mileage	59,540	11,793	56,715	11,724	57,637	11,932
Per Diem	86,646	13,119	83,115	12,528	84,265	12,308
GTRs	27,106	3,287	26,444	3,322	26,986	3,452
AMC	15,234	10,587	15,157	10,717	15,354	11,542
Commercial Air	18,235	22,657	17,850	22,685	18,249	23,705
Travel of Dependents (Family)	17,946	13,760	17,032	13,634	16,761	13,856
Mileage	20,410	2,512	19,553	2,372	19,489	2,296
Per Diem	39,612	5,168	37,407	4,665	36,846	5,153
GTRs	566	293	1,831	680	982	332
AMC	3,883	2,076	3,884	2,132	3,825	2,152
Commercial Air	1,683	3,711	1,636	3,785	1,655	3,923
Transportation of Household Goods	52,737	117,127	50,797	113,770	51,051	116,605
Land Shipments	24,912	72,185	23,516	67,606	23,303	68,680
ITGBL Shipments	15,469	41,203	15,248	42,317	15,588	43,964
MSC (M. Tons)	11,958	1,487	11,630	1,486	11,756	1,535
AMC (S. Tons)	398	2,252	403	2,361	404	2,426
Dislocation Allowance	15,361	19,517	14,312	18,555	14,428	19,633
Trailer Allowance	215	1,084	193	985	212	1,114
Transportation of POV's	2,433	2,569	2,432	2,638	2,463	2,716
Non-Temporary Storage	10,132	3,592	10,337	4,705	10,008	4,726
Port Handling Charges	10,905	1,559	10,881	1,615	11,040	1,665
Temporary Lodging Expense		2,044		2,954		2,802
In-Place Consecutive Overseas Tours/Overseas Tour Extension Incentive Program		1,668		1,658		1,698
Total Obligations		\$224,363		\$221,490		\$227,754
Less Reimbursements		(\$289)		(\$291)		(\$221)
Total Direct Program		\$224,074		\$221,199		\$227,533

PROJECT: A Accession Travel

FY 1997 - Actual	\$28,637
FY 1998 - Estimate	\$28,952
FY 1999 - Estimate	\$30,096

PART I - PURPOSE AND SCOPE

Funds requested provide for PCS Movements of (1) officers appointed to a commissioned grade from civilian life, military academies, NROTC, and reserve officers called or recalled to extended active duty, from home or point where orders were received to first permanent duty station or training school of twenty weeks or more duration and (2) officers or warrant officers appointed or recalled from enlisted status from station where they served as enlisted to new permanent duty station or training school of twenty weeks or more duration. (Includes officers appointed from enlisted status upon graduation from OCS, officers leaving the Marine Corps Basic School, and newly commissioned officers while attending flight training.)

Funds requested provide for PCS Movements of (1) enlistees, reenlistees, and prior service personnel from recruiting station or place of enlistment to first permanent duty station or training school of twenty weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of twenty weeks or more duration.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimate for Accession Travel includes PCS requirements for planned officers and enlisted gains to meet the Marine Corps strength requirements.

The number of moves by type and the associated fiscal year funding requirements are shown in the following tables:

PROJECT: A Accession Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
A(a) Officers									
(1) Travel of Military Member	1,595	\$270.85	\$432	1,626	\$271.22	\$441	1,583	\$272.27	\$431
(2) Travel of Dependents	235	387.23	91	275	400.00	110	238	453.78	108
(3) Transportation of Household Goods	1,703	1,075.16	1,831	1,833	1,125.48	2,063	1,779	1,152.33	2,050
(4) Dislocation Allowance	659	603.29	398	678	630.43	427	660	649.98	429
(5) Trailer Allowance	3	6,238.11	19	3	6,369.11	19	3	6,502.86	20
(6) Privately Owned Vehicles (POV)									
(a) MSC	81	890.24	72	83	911.39	76	81	924.05	75
(b) Port Handling (Military Traffic Management Command)	6	537.50	3	6	568.14	3	6	561.32	3
Total A(a)(6)			75			79			78
(7) Port Handling Costs (HHG, M. Tons)	61	16.13	1	63	17.94	1	61	17.72	1
Total A(a)			\$2,847			\$3,140			\$3,117

Change from FY 1998 to FY 1999: Officer member Accession moves decrease 43 from 1,626 in FY 1998 to 1,583 in FY 1999. As member moves decrease, the number of dependent moves together with associated household goods and other transportation items also decrease. The decrease of \$23 from \$3,140 in FY 1998 to \$3,117 in FY 1999 is a direct result of the decrease in member moves offset by inflation changes within the rates.

PROJECT: A Accession Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
A(b) Enlisted									
(1) Travel of Military Member	34,594	\$661.39	\$22,880	34,006	\$672.44	\$22,867	34,971	\$683.65	\$23,908
(2) Travel of Dependents	664	614.46	408	665	621.05	413	666	639.64	426
(3) Transportation of Household Goods	1,527	1,510.15	2,306	1,508	1,546.42	2,332	1,542	1,577.82	2,433
(4) Dislocation Allowance	546	247.25	135	535	258.24	138	551	266.79	147
(5) Trailer Allowance	1	3,247.47	3	1	3,315.67	3	1	3,385.30	3
(6) Privately Owned Vehicles (POV)									
(a) MSC	43	911.11	39	43	930.23	40	43	953.49	41
(b) Port Handling (Military Traffic Management Command)	35	553.38	19	35	555.56	19	36	583.33	21
Total A(b)(6)			58			59			62
(7) Port Handling Costs (HHG, M. Tons)	0	0.00	0	0	0.00	0	0	0.00	0
Total A(b)			\$25,790			\$25,812			\$26,979
Total Accession Travel			\$28,637			\$28,952			\$30,096

Change from FY 1998 to FY 1999: Enlisted member Accession moves increase 965 from 34,006 in FY 1998 to 34,971 in FY 1999. As member moves increase, the number of dependent moves together with associated household goods and other transportation items also increase. The increase of \$1,167 from \$25,812 in FY 1998 to \$26,979 in FY 1999 is a direct result of the increase in member moves and inflation changes within the rates.

PROJECT: B Training Travel

FY 1997 - Actual	\$4,589
FY 1998 - Estimate	\$5,015
FY 1999 - Estimate	\$5,071

PART I - PURPOSE AND SCOPE

Funds requested provide for the Continental United States PCS Movements of (1) officers and warrant officers from the previous Continental United States permanent duty station to formal service or civilian schools, including technical schools, flight training schools, factory training, and other approved courses of instruction of 20 weeks duration or more; and (2) officer and warrant officer school attendees from school to their next permanent Continental United States duty station. (Excludes Academy graduates, Marine Corps Basic School graduates, Officer Candidate School graduates, flight training graduates, ROTC graduates, and others chargeable as Accession Travel.)

Funds requested provide for the Continental United States PCS Movements of (1) enlisted personnel from the previous Continental United States permanent duty station to formal service or civilian schools, including technical schools, flight training schools, factory training, and other approved courses of instruction of 20 weeks duration or more; (2) enlisted school graduates and eliminees from school to their next Continental United States permanent duty station; and (3) enlisted personnel ordered to training leading to a commission if such training period is of 20 weeks duration or more.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This estimate is based on the planned training requirements for officer and enlisted personnel.

The number of moves and associated fiscal year funding requirements are shown in the following tables:

PROJECT: B Training Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
B(a) Officers									
(1) Travel of Military Member	1,454	\$169.19	\$246	1,559	\$169.98	\$265	1,546	\$170.76	\$264
(2) Travel of Dependents	761	186.60	142	888	191.44	170	811	207.15	168
(3) Transportation of Household Goods	1,096	2,055.66	2,253	1,184	2,100.51	2,487	1,171	2,148.59	2,516
(4) Dislocation Allowance	803	753.67	605	868	784.06	681	857	803.97	689
(5) Trailer Allowance	0	0.00	0	0	0.00	0	0	0.00	0
Total B(a)			\$3,246			\$3,603			\$3,637

Change from FY 1998 to FY 1999: Officer member Training moves decrease 13 from 1,559 in FY 1998 to 1,546 in FY 1999. As member moves decrease, the number of dependent moves together with associated household goods and other transportation also decrease. The increase of \$34 from \$3,603 in FY 1998 to \$3,637 in FY 1999 is a direct result of the decrease in member moves offset by inflation changes within the rates.

PROJECT: B Training Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
B(b) Enlisted									
(1) Travel of Military Member	2,061	\$224.65	\$463	2,121	\$226.78	\$481	2,122	\$228.56	\$485
(2) Travel of Dependents	69	739.13	51	71	760.56	54	74	770.27	57
(3) Transportation of Household Goods	292	2,243.15	655	302	2,291.39	692	300	2,343.33	703
(4) Dislocation Allowance	226	713.15	161	231	743.48	172	231	761.90	176
(5) Trailer Allowance	2	6,382.19	13	2	6,516.22	13	2	6,653.06	13
Total b(b)			\$1,343			\$1,412			\$1,434
Total Training Travel			\$4,589			\$5,015			\$5,071

Change from FY 1998 to FY 1999: Enlisted member Training moves increase 1 from 2,121 in FY 1998 to 2,122 in FY 1999. As member moves increase, the number of dependent moves together with associated household goods and other transportation items also increase. The increase of \$22 from \$1,412 in FY 1998 to \$1,434 in FY 1999 is a direct result of the increase in member moves and inflation changes within the rates.

PROJECT: C Operational Travel Between Duty Stations

FY 1997 - Actual	\$60,483
FY 1998 - Estimate	\$52,018
FY 1999 - Estimate	\$52,995

PART I - PURPOSE AND SCOPE

Funds requested provide for PCS Movements of (1) officers and warrant officers to and from permanent duty stations located within the Continental United States; (2) officers and warrant officers to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances and privately owned vehicles of officers and warrant officers who are interned, missing, or captured when no transoceanic travel is involved. Oceanic travel by member from homeport to station is proper.

Funds requested provide for PCS Movements of (1) enlisted personnel to and from permanent duty stations located within the Continental United States; (2) enlisted personnel to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances and privately owned vehicles of enlisted personnel who are interned, missing, or captured when no transoceanic travel is involved. Oceanic travel by members from homeport to station is proper.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This estimate includes PCS requirements for operational assignment of officers and enlisted personnel between duty stations within the Continental United States and within Overseas if no oceanic travel is involved. The number of assignments cannot be limited to normal rotation since personnel gains and losses, revision to various ship and station allowances, activation or deactivation of units and redistribution of needed skills also influence transfer of personnel.

The number of moves and associated fiscal year funding requirements are shown in the following tables:

PROJECT: C Operational Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
C(a) Officers									
(1) Travel of Military Member	1,418	\$1,104.37	\$1,566	1,148	\$1,105.40	\$1,269	1,163	\$1,106.62	\$1,287
(2) Travel of Dependents	1,327	807.84	1,072	1,146	817.63	937	1,101	890.10	980
(3) Transportation of Household Goods	2,560	5,875.00	15,040	2,088	6,003.35	12,535	2,107	6,141.43	12,940
(4) Dislocation Allowance	2,078	2,162.48	4,494	1,696	2,248.80	3,814	1,711	2,312.68	3,957
(5) Trailer Allowance	92	5,540.23	510	74	5,656.57	419	92	5,782.61	532
Total C(a)			\$22,682			\$18,974			\$19,696

Change from FY 1998 to FY 1999: Officer member Operational moves increase 15 from 1,148 in FY 1998 to 1,163 in FY 1999. As member moves increase, the number of dependent moves together with associated household goods and other items also increase. The increase of \$722 from \$18,974 in FY 1998 to \$19,696 in FY 1999 is a direct result of the increase in member moves and inflation changes within the rates.

PROJECT: C Operational Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
C(b) Enlisted									
(1) Travel of Military Member	11,057	\$562.72	\$6,222	9,442	\$564.50	\$5,330	9,368	\$566.50	\$5,307
(2) Travel of Dependents	4,789	566.72	2,714	4,018	581.38	2,336	4,057	586.15	2,378
(3) Transportation of Household Goods	5,974	3,690.99	22,050	5,130	3,772.12	19,351	5,043	3,859.01	19,461
(4) Dislocation Allowance	5,194	1,277.63	6,636	4,419	1,328.66	5,871	4,384	1,367.02	5,993
(5) Trailer Allowance	42	4,251.51	179	36	4,340.79	156	36	4,431.95	160
Total C(b)			\$37,801			\$33,044			\$33,299
Total Operational Travel			\$60,483			\$52,018			\$52,995

Change from FY 1998 to FY 1999: Enlisted member Operational moves decrease 74 from 9,442 in FY 1998 to 9,368 in FY 1999. As member moves decrease, the number of dependent moves together with associated household goods and other items also decrease. The increase of \$255 from \$33,044 in FY 1998 to \$33,299 in FY 1999 is a direct result of the decrease in member moves offset by inflation changes within the rates.

PROJECT: D Rotational Travel to and from Overseas

FY 1997 - Actual	\$81,562
FY 1998 - Estimate	\$84,235
FY 1999 - Estimate	\$87,581

PART I - PURPOSE AND SCOPE

Funds requested provide for PCS Movements of (1) officers and warrant officers from permanent duty stations in the Continental United States to permanent duty stations overseas; (2) officers and warrant officers from permanent duty stations overseas to permanent duty stations in the Continental United States; (3) officers and warrant officers from permanent duty stations in one overseas area to permanent duty stations in another overseas area when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances and privately owned vehicles of officers and warrant officers who are interned, missing or captured when transoceanic travel is involved.

Funds requested provide for PCS Movements of (1) enlisted personnel from permanent duty stations in the Continental United States to permanent duty stations overseas; (2) enlisted personnel from permanent duty stations overseas to permanent duty stations in the Continental United States (3) enlisted personnel from permanent duty stations in one overseas area to permanent duty stations in another overseas area when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances and privately owned vehicles of enlisted personnel who are interned, missing or captured when transoceanic travel is involved.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This estimate includes PCS requirements for rotation of officers and enlisted personnel to and from overseas duty assignments in accordance with policies approved by the Office of the Secretary of Defense for overseas tours.

The Marine Corps program includes consideration of the maximum number of voluntary extensions of overseas tours which are reflected as savings in rotational travel. To maximize the savings in dependents travel, every effort is being made to assign an overseas returnee as close as possible to the location of his dependents.

The number of moves and associated fiscal year funding requirements are shown in the following tables:

PROJECT: D Rotational Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
D(a) Officers									
(1) Travel of Military Member	1,009	\$1,358.77	\$1,371	1,090	\$1,401.83	\$1,528	1,125	\$1,423.11	\$1,601
(2) Travel of Dependents	641	2,360.37	1,513	731	2,393.98	1,750	723	2,495.16	1,804
(3) Transportation of Household Goods	3,205	3,108.58	9,963	3,435	3,180.20	10,924	3,549	3,243.73	11,512
(4) Dislocation Allowance	828	1,852.53	1,534	902	1,928.57	1,740	926	2,089.63	1,935
(5) Trailer Allowance	4	4,586.27	18	5	4,682.58	23	5	4,780.92	24
(6) Privately Owned Vehicles (POV)									
(a) MSC	465	1,055.62	491	506	1,078.28	546	520	1,101.92	573
(b) Port Handling (Military Traffic Management Command)	713	507.92	362	776	518.52	402	798	530.08	423
Total D(a)(6)			853			948			996
(7) Port Handling Costs (HHG, M. Tons)	1,496	55.69	83	1,616	57.06	92	1,674	58.54	98
Total D(a)			\$15,335			\$17,005			\$17,970

Change from FY 1998 to FY 1999: Officer member Rotational moves increase 35 from 1,090 in FY 1998 to 1,125 in FY 1999. As member moves increase, the number of dependent moves together with associated household goods and other transportation items also increase. The increase of \$965 from \$17,005 in FY 1998 to \$17,970 in FY 1999 is a direct result of the increase in member moves and inflation changes within the rates.

PROJECT: D Rotational Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
D(b) Enlisted									
(1) Travel of Military Member	16,303	\$1,189.84	\$19,398	15,989	\$1,243.92	\$19,889	16,143	\$1,271.14	\$20,520
(2) Travel of Dependents	5,569	959.96	5,346	5,238	1,028.64	5,388	5,239	1,042.37	5,461
(3) Transportation of Household Goods	22,343	1,506.87	33,668	21,694	1,568.59	34,029	21,958	1,600.37	35,141
(4) Dislocation Allowance	4,941	1,107.60	5,473	4,828	1,152.24	5,563	4,875	1,246.97	6,079
(5) Trailer Allowance	10	4,611.53	46	10	4,708.37	47	9	4,807.25	43
(6) Privately Owned Vehicles (POV)									
(a) MSC	1,360	1,066.76	1,451	1,329	1,100.53	1,463	1,342	1,114.75	1,496
(b) Port Handling (Military Traffic Management Command)	916	508.83	466	895	524.50	469	903	531.56	480
Total D(b)(6)			1,917			1,932			1,976
(7) Port Handling Costs (HHG, M. Tons)	5,026	75.40	379	4,912	77.72	382	4,960	78.83	391
Total D(b)			\$66,227			\$67,230			\$69,611
Total Rotational Travel			\$81,562			\$84,235			\$87,581

Change from FY 1998 to FY 1999

Enlisted member Rotational moves increase 154 from 15,989 in FY 1998 to 16,143 in FY 1999. As member moves increase, the number of dependent moves together with associated household goods and other transportation items also increase. The increase of \$2,381 from \$67,230 in FY 1998 to \$69,611 in FY 1999 is a direct result of the increase in member moves and inflation changes within the rates.

PROJECT: E Separation Travel

FY 1997 - Actual	\$41,273
FY 1998 - Estimate	\$41,309
FY 1999 - Estimate	\$42,014

PART I - PURPOSE AND SCOPE

Funds requested provide for PCS Movements of (1) officer and warrant officers upon release or separation from the service from the last permanent duty station to home of record or point of entry into service or to home of selection when authorized by law; and (2) dependents, household goods, trailer allowances and personal effects of officers and warrant officers who are deceased.

Funds requested provide for PCS Movements of (1) enlisted personnel upon release or separation from the service from the last permanent duty station to home of record or point of entry into service, or to home of selection when authorized by law; and (2) dependents, household goods, trailer allowances and personal effects of enlisted personnel who are deceased.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This estimate includes separation travel requirements for PCS Travel costs of Officers and Enlisted Personnel to be separated in accordance with the Marine Corps Manpower Program.

The number of moves and associated fiscal year funding requirements are shown on the following tables:

PROJECT: E Separation Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
E(a) Officers									
(1) Travel of Military Member	1,703	\$246.62	\$420	1,625	\$248.00	\$403	1,600	\$250.63	\$401
(2) Travel of Dependents	512	597.66	306	505	603.96	305	463	660.91	306
(3) Transportation of Household Goods	1,102	4,700.54	5,180	1,057	4,810.79	5,085	1,031	4,915.62	5,068
(5) Trailer Allowance	3	5,559.67	17	3	5,676.42	17	3	5,795.63	17
(6) Privately Owned Vehicles (POV)									
(a) MSC	49	1066.67	52	47	1,085.11	51	46	1,113.64	51
(b) Port Handling (Military Traffic Management Command)	59	309.09	18	57	315.79	18	56	327.27	18
Total E(a)(6)			70			69			69
(7) Port Handling Costs (HHG, M. Tons)	539	56.53	30	515	57.92	30	509	58.82	30
Total E(a)			\$6,023			\$5,909			\$5,891

Change from FY 1998 to FY 1999: Officer member Separation moves decrease 25 from 1,625 in FY 1998 to 1,600 in FY 1999 due to a lower number of officers reaching the end of their contract in this year. As member moves decrease, the number of dependent moves together with associated household goods and other transportation items also decrease. The decrease of \$18 from \$5,909 in FY 1998 to \$5,891 in FY 1999 is a direct result of the decrease in member moves offset by inflation changes within the rates.

PROJECT: E Separation Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
E(b) Enlisted									
(1) Travel of Military Member	35,436	\$234.03	\$8,293	34,759	\$235.59	\$8,189	35,256	\$238.40	\$8,405
(2) Travel of Dependents	3,221	654.77	2,109	3,227	668.42	2,157	3,145	681.72	2,144
(3) Transportation of Household Goods	12,594	1,899.63	23,924	12,359	1,951.61	24,120	12,420	1,982.29	24,620
(5) Trailer Allowance	53	4,941.17	262	53	5,055.56	268	53	5,161.72	274
(6) Privately Owned Vehicles (POV)									
(a) MSC	435	1,066.67	464	424	1,100.70	467	431	1,113.95	480
(b) Port Handling (Military Traffic Management Command)	983	130.78	129	960	135.47	130	975	136.83	133
Total E(b)(6)			593			597			613
(7) Port Handling Costs (HHG, M. Tons)	1,071	64.02	69	1,046	66.41	69	1,062	63.27	67
Total E(b)			\$35,250			\$35,400			\$36,123
Total Separation Travel			\$41,273			\$41,309			\$42,014

Change from FY 1998 to FY 1999: Enlisted member Separation moves increase 497 from 34,759 in FY 1998 to 35,256 in FY 1999 because more enlisted Marines will reach their end of active service in FY 1999. As member moves increase, the number of dependent moves together with associated household goods and other transportation items also increase. The increase of \$723 from \$35,400 in FY 1998 to \$36,123 in FY 1999 is a direct result of the increase in member moves and inflation changes within the rates.

PROJECT: F Unit Travel

FY 1997 - Actual	\$515
FY 1998 - Estimate	\$644
FY 1999 - Estimate	\$771

PART I - PURPOSE AND SCOPE

Funds requested provide for PCS Movements of (1) officers and warrant officers to and from permanent duty stations located within the Continental United States (2) officers and warrant officers to and from permanent duty stations located overseas, when the movement is in connection with the relocation of an organized unit.

Funds requested provide for PCS Movements of (1) enlisted personnel to and from permanent duty stations located within the Continental United States and (2) enlisted personnel to and from permanent duty stations overseas when the movement is in connection with the relocation of an organized unit.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This estimate includes PCS requirements for the relocation, activation or deactivation of organized units between duty stations within Continental United States and Overseas. Unit moves are used to consolidate highly technical units in the same area to change force structure.

The number of moves and associated fiscal year funding requirements are shown in the following tables:

PROJECT: F Unit Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
F(a) Officers	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1) Travel of Military Member	26	\$730.77	\$19	48	\$750.00	\$36	94	\$755.32	\$71
(2) Travel of Dependents	4	402.36	3	8	418.45	3	15	435.19	15
(3) Transportation of Household Goods	25	1,480.00	37	20	1,500.00	30	51	1,568.63	80
(4) Dislocation Allowance	14	666.67	9	24	685.43	16	47	706.68	33
(5) Trailer Allowance	2	3,250.00	7	2	3,318.25	7	4	3,387.93	14
(6) Privately Owned Vehicles (POV)									
(a) MSC	0	0.00	0	0	0.00	0	0	0.00	0
(b) Port Handling (Military Traffic Management Command)	0	0.00	0	0	0.00	0	0	0.00	0
Total F(a)(6)			0			0			0
(7) Port Handling Costs (HHG, M. Tons)	0	0.00	0	0	0.00	0	0	0.00	0
Total F(a)			\$75			\$92			\$213

Change from FY 1998 to FY 1999: Officer member Unit moves increase 46 from 48 in FY 1998 to 94 in FY 1999. As member moves increase, the number of household goods and other items also increase. The increase of \$121 from \$92 in FY 1998 to \$213 in FY 1999 is a direct result of the member moves increase and inflation changes within the rates.

PROJECT: F Unit Travel

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
F(b) Enlisted									
(1) Travel of Military Member	333	\$399.40	\$133	645	\$431.01	\$278	609	\$435.14	\$265
(2) Travel of Dependents	146	34.25	5	230	47.83	11	169	53.25	9
(3) Trans. of Household Goods	316	696.20	220	161	726.71	117	100	750.00	75
(4) Dislocation Allowance	72	995.10	72	131	1,015.01	133	186	1,047.87	195
(5) Trailer Allowance	3	3,255.00	10	4	3,323.36	13	4	3,393.15	14
(6) Privately Owned Vehicles (POV)									
(a) MSC	0	0.00	0	0	0.00	0	0	0.00	0
(b) Port Handling (MTMC)	0	0.00	0	0	0.00	0	0	0.00	0
Total F(b)(6)			0			0			0
(7) Port Handling Costs (HHG, M. Tons)	0	0.00	0	0	0.00	0	0	0.00	0
Total F(b)			\$440			\$552			\$558
Total Unit Travel			\$515			\$644			\$771

Change from FY 1998 to FY 1999: Enlisted member Unit moves decrease 36 from 645 in FY 1998 to 609 in FY 1999. As member moves decrease, the number of household goods and other transportation items also decrease. The increase of \$6 from \$552 in FY 1998 to \$558 in FY 1999 is a direct result of the decrease in member moves offset by inflation changes within the rates.

PROJECT: H In-Place Consecutive Overseas Tours/Overseas Tour Extension Incentive Program

FY 1997 - Actual	\$1,668
FY 1998 - Estimate	\$1,658
FY 1999 - Estimate	\$1,698

PART I - PURPOSE AND SCOPE

Funds requested provide for the incentive travel option associated with the OTEIP and IPCOT programs. The OTEIP offers eligible enlisted personnel the opportunity to receive their choice of one of three incentive options for extension of their current permanent duty station for 12 months or more outside the continental United States. The IPCOT program provides travel and transportation allowances for the member (officer and enlisted) and command sponsored dependents who are authorized to accompany the member at the duty station.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Funds requested provide for costs associated with the entitlement associated with the Overseas Tour Extension Incentive Program which occurs when members of the Armed Forces are authorized rest and recuperative absence of not more than 15 days, round trip transportation at government expense from the location of the extended tour of duty to the port of debarkation and return during the period of the extension. Funds requested also include the costs of the entitlement associated with the In-Place Consecutive Tour for travel and transportation allowances for the member and command sponsored dependents who are authorized to accompany the member at the duty stations.

The number of moves and associated fiscal year funding requirements are shown in the following tables:

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officers									
IPCOT	42	\$3,694.56	\$149	39	\$3,717.95	\$145	39	\$3,948.72	\$154
Enlisted									
IPCOT	172	\$4,029.76	\$693	163	\$4,190.18	\$683	163	\$4,276.07	\$697
OTEIP	600	\$1,377.72	\$826	590	\$1,406.78	\$830	590	\$1,435.59	\$847
TOTAL	814		\$1,668	792		\$1,658	792		\$1,698

Change from FY 1998 to FY 1999: The increase of \$40 from \$1,658 in FY1998 to \$1,698 in FY 1999 is the direct result of inflation changes in the rates.

PROJECT: I Non-temp Storage/Temporary Lodging Expense

(In Thousands of Dollars)

	1997 Actual			1998 Estimate			1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Non-Temporary Storage	10,132	\$354.52	\$3,592	10,156	\$463.27	\$4,705	9,691	\$487.67	\$4,726
Change from FY 1998 to FY 1999:	The net cost increase of \$21 from \$4,705 in FY 1998 to \$4,726 in FY 1999 is due to the fluctuation of member moves by type and inflation changes within the rates.								
Temporary Lodging Expense			\$2,044			\$2,954			\$2,802
Change from FY 1998 to FY 1999:	The net decrease of \$152 from \$2,954 in FY 1998 to \$2,802 in FY 1999 is due to fluctuation of member moves within the types of travel.								
GRAND TOTAL OBLIGATIONS			\$224,363			\$221,490			\$227,754
LESS REIMBURSABLES			(\$289)			(\$291)			(\$221)
TOTAL DIRECT OBLIGATIONS			\$224,074			\$221,199			\$227,533

MILITARY PERSONNEL, MARINE CORPS
SCHEDULE OF INCREASES AND DECREASES
OTHER MILITARY PERSONNEL COSTS
(IN THOUSANDS OF DOLLARS)

BUDGET ACTIVITY 6	AMOUNT
FY98 DIRECT PROGRAM	\$36,928
INCREASES:	
Payment of Death Gratuities - Increase is based on an increase in death projection.	\$6
Apprehension of Military Deserters - Increase is based on inflation in cost of travel by guards, and subsistence costs.	\$14
Adoption Reimbursement Program - Increase is based on inflation.	\$1
Educational Benefits - Increase is based on revised actuary rates.	\$984
Advanced Pay - Increase is based on a revised approach in the obligation of Advanced Pay.	\$18,000
TOTAL INCREASES:	\$19,005
DECREASES:	
Restored Survivors Benefits - Decrease is based on a decrease in Veterans Administration projection.	(\$454)
TOTAL DECREASES:	(\$454)
FY99 DIRECT PROGRAM	\$55,479

PROJECT: A. Apprehension of Military Deserters
Absentees, and Escaped Military Prisoners

FY 1997 Actual	\$900
FY 1998 Estimate	\$913
FY 1999 Estimate	\$927

PART I - PURPOSE AND SCOPE

The funds requested provide for the expense in connection with the apprehension of deserters, absentees, and escaped military prisoners and for their delivery to the control of the Department of Defense. Funds requested include cost of subsistence furnished during the period an enlisted member is detained in civil confinement for safekeeping when so requested by military authority, costs of rewards (not to exceed \$75.00) and cost of transportation, lodging, and subsistence of a guard sent to return member.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimate is based on actual experience which is projected into the current and budget years.

The following estimate is provided:

(In Thousands of Dollars)

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
	-----	-----	-----
	Amount	Amount	Amount
	-----	-----	-----
Apprehension of Military Deserters	\$900	\$913	\$927

Change from FY 1998 to FY 1999: Increase of \$14 from \$913 in FY 1998 to \$927 in FY 1999 is the result of projected inflation in travel and subsistence.

PROJECT: B. Interest on Saving Deposit

FY 1997 Actual	\$16
FY 1998 Estimate	\$16
FY 1999 Estimate	\$16

PART I - PURPOSE AND SCOPE

Funds requested provide for service members participating in the Servicemen's Saving Deposit Program.

The Servicemen's Saving Deposit Program was reinstated for the participant in Operation Desert Shield/Storm and serving in the area of operation allowing members to deposit their money into the savings program and to be reimbursed 10% interest on all deposits.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Computation of funding requirements is provided in the following table:

(In Thousands of Dollars)

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
	-----	-----	-----
	Amount	Amount	Amount
	-----	-----	-----
Interest	\$16	\$16	\$16

Change from FY 1998 to FY 1999: No change.

PROJECT: C. Death Gratuities

FY 1997 Actual	\$930
FY 1998 Estimate	\$984
FY 1999 Estimate	\$990

PART I - PURPOSE AND SCOPE

The funds requested provide for payment of death gratuities to beneficiaries of deceased military personnel as authorized by law. Death gratuity is composed of basic pay, incentive pay and overseas pay, if applicable.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Details of the computations are provided in the following tables:

(In Thousands of Dollars)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer	16	\$6,000.00	\$96	24	\$6,000.00	\$144	24	\$6,000.00	\$144
Enlisted	139	6,000.00	\$834	140	6,000.00	\$840	141	6,000.00	\$846
	155		\$930	164		\$984	165		\$990

Change from FY 1998 to FY 1999: Increase of \$6 from \$984 in FY1998 to \$990 in FY1999 is due to a projected increase in the number of deaths.

PROJECT: D. Unemployment Benefits Paid to Ex-Service Members

FY 1997 Actual	\$28,795
FY 1998 Estimate	\$27,846
FY 1999 Estimate	\$27,846

PART I - PURPOSE AND SCOPE

Funds are for payments of unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521(a) of Title 5, United States Code. Generally, eligibility is defined as active service in the Armed Forces whereupon the individual was discharged under honorable conditions, and had completed his first term of active service; or was discharged before completing his first term under an early release program, because of hardship, for medical reasons, or for personality disorders or inaptitude (but only if the service was continuous for 365 days or more).

PART II - JUSTIFICATION OF FUNDS REQUESTED

The number of individuals eligible for unemployment benefits is based on estimated losses, factored to exclude retirements and discharges for other than honorable conditions as defined by Section 8521(a) of Title 5, United States Code.

Computation of funding requirements is provided in the following table:

(In Thousands of Dollars)

	FY 1997 Actual -----	FY 1998 Estimate -----	FY 1999 Estimate -----
Unemployment Benefits Program	\$28,795	\$27,846	\$27,846
Change from FY 1998 to FY 1999:	No change.		

PROJECT: E. Survivor Benefits

FY 1997 Actual	\$1,980
FY 1998 Estimate	\$2,068
FY 1999 Estimate	\$1,614

PART I - PURPOSE AND SCOPE

Funds requested provide for payments of restored social security benefits to widows and orphans of military personnel of the Marine Corps. These benefits were withdrawn under Public Law 97-35. Public Law 97-35 terminated the "mother's" benefits when the last child in custody of the surviving spouse reached age 16, rather than 18, and affected the "school child" by either eliminating benefit payments or by requiring a reduction in benefits. Section 156 of Public Law 97-377 modified by section 943 of the DoD Authorization Act, FY 1984, P. L. 98-94, 97 Stat. 614, restored these social security benefits to survivors of military members and directed the Department of Defense to budget for this requirement.

The Retired Pay, Defense appropriation was discontinued in FY 1985 and funds for survivor benefits transferred to appropriate Military Personnel appropriations. Starting in FY 1985, each military department transferred funds from the Military Personnel appropriation to the VA for payment of the benefits.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on current experience.

(In Thousands of Dollars)

	FY 1997 Actual -----	FY 1998 Estimate -----	FY 1999 Estimate -----
Survivor benefits cost	\$1,980	\$2,068	\$1,614
Change from FY 1998 to FY 1999:	Decrease of \$454 from \$2,068 in FY1998 to \$1,614 in FY1999 is due to a projected decrease from the Veteran's Administration.		

PROJECT: F. Educational Benefits

FY 1997 Actual	\$5,286
FY 1998 Estimate	\$5,055
FY 1999 Estimate	\$6,039

PART I - PURPOSE AND SCOPE

Funds are for the payment to the Department of Defense Education Benefits Funds, a Trust Fund. This program is governed by title 83 U.S.C., Chapter 30. The program will fund additional and supplemental benefit payments above a basic benefit to be budgeted by the Veterans Administration. This program is budgeted on an accrual basis by the Department of Defense. Actual benefit payments to the individual will be made by the Veterans Administration from funds transferred from the Trust Account.

PART II - JUSTIFICATION OF FUNDS REQUESTED

All individuals entering Active Duty after July 1, 1985 (including those in the Delayed Entry Program) except those who have received a commission from a service academy or completed an ROTC Scholarship Program are eligible to receive additional and supplemental Educational Assistance at the discretion of the Secretary of Defense unless they elect not to participate in the basic program. The Montgomery GI Bill Educational Benefit gives the Voluntary Separation Incentive Electees the rights to educational benefits.

(In Thousands of Dollars)

	FY 1997 Actual -----	FY 1998 Estimate -----	FY 1999 Estimate -----
Educational Benefits Program	\$4,171	\$4,101	\$4,424
Montgomery GI Bill	907	\$805	\$1,129
Amortization	208	149	\$486
Total	\$5,286	\$5,055	\$6,039

Change from FY 1998 to FY 1999: The projected increase of \$984 from \$5,055 in FY 1998 to \$6,039 in FY 1999 is due to a projected increase in amortization payments and the Montgomery GI Bill.

PROJECT: G. Adoption Reimbursement Program

FY 1997 Actual	\$45
FY 1998 Estimate	\$46
FY 1999 Estimate	\$47

PART I - PURPOSE AND SCOPE

Funds requested provide for payments of adoption expenses incurred by active duty members in the adoption of a child under 18 years of age. Adoption expenses include public and private agency fees; placement fees; legal fees; medical expenses for the child, the biological mother, and the adopting parents; temporary foster care; transportation expenses; and other expenses approved by ASD (FM&P). Section 651 of the National Defense Authorization Act for fiscal year 1992 and 1993 (Public Law 102-190) provides for this program.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on actual experience.

(In Thousands of Dollars)

	<u>FY 1997 Actual</u>	<u>FY 1998 Estimate</u>	<u>FY 1999 Estimate</u>
Adoption Reimbursement Program	\$45	\$46	\$47

Change from FY 1998 to FY 1999: Projections increase \$1 from \$46 in FY 1998 to \$47 in FY 1999 based on inflation.

PROJECT: H. Obligation for Advanced Pay

FY 1997 Actual	\$0
FY 1998 Estimate	\$0
FY 1999 Estimate	\$18,000

PART I - PURPOSE AND SCOPE

Advance payments are authorized to soldiers on a case by case basis to meet extraordinary expenses incident to a government ordered relocation as provided by 37 U. S. C. 1006. Advance payments are intended to assist with the out-of-pocket expenses that exceed or preceded reimbursements incurred in a duty location change and are expenses not typical of day-to-day military living. Advance payments varies depending on the reason and type of relocation the soldier incurs. Funds are requested to implement an accounting adjustment regarding the fiscal year in which the department records obligation for advance payments under 37 U. S. C. 1006.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Estimates are based on the anticipated obligational requirement for members drawing Advanced Pay in FY 1999.

(In Thousands of Dollars)

	<u>FY 1997 Actual</u>	<u>FY 1998 Estimate</u>	<u>FY 1999 Estimate</u>
Obligation for Advanced Pay			
Officer	\$0	\$0	\$3,000
Enlisted			\$15,000
Total			\$18,000

Change from FY 1998 to FY 1999: Projections increase \$18,000 from \$0 in FY 1998 to \$18,000 in FY 1999 based on a revised approach in the obligation of Advanced Pay funding.

MARINE CORPS MILITARY PERSONNEL ASSIGNED OUTSIDE DOD - END STRENGTH

	FY 1997			FY 1998			FY 1999		
	OFF	ENL	TOTAL	OFF	ENL	TOTAL	OFF	ENL	TOTAL
ASSIGNED TO DOD ACTIVITIES :									
Non-Reimbursable Personnel:									
State Department (Embassy Security Guards)	39	1,088	1,127	32	1,186	1,218	32	1,186	1,218
Subtotal Non-Reimbursable Program	39	1,088	1,127	32	1,186	1,218	32	1,186	1,218
Reimbursable DOD Personnel:									
Naval Air Depots	19	27	46	19	27	46	19	27	46
Industrial Fund	7	7	14	10	9	19	10	9	19
Defense Finance and Accounting Service(DFAS)	23	154	177	35	167	202	31	169	200
DISA	6	20	26	6	23	29	6	23	29
Defense Logistic Agency(DLA)	21	4	25	22	12	34	22	12	34
Joint Logistics System Center (JLSC)	2	0	2	2	0	2	0	0	0
US Transportation Command (TRANSCOM)	17	7	24	15	5	20	15	5	20
Subtotal Reimbursable Personnel	95	219	314	109	243	352	103	245	348
Total Assigned to DOD Activities	134	1,307	1,441	141	1,429	1,570	135	1,431	1,566
TOTAL Reimbursable	119	238	357	134	262	396	126	257	383
TOTAL Non-Reimbursable Personnel	47	1,088	1,135	43	1,189	1,232	43	1,189	1,232
GRAND TOTAL	166	1,326	1,492	177	1,451	1,628	169	1,446	1,615

MARINE CORPS MILITARY PERSONNEL ASSIGNED OUTSIDE DOD - END STRENGTH

	FY 1997			FY 1998			FY 1999		
	OFF	ENL	TOTAL	OFF	ENL	TOTAL	OFF	ENL	TOTAL
ASSIGNED OUTSIDE DOD:									
Non-Reimbursable Personnel:									
Office of the President	3	0	3	2	1	3	2	1	3
National Warning Staff	1	0	1	1	0	1	1	0	1
State Department (UN Truce Supervision)	1	0	1	1	0	1	1	0	1
Transportation Department (FAA)	1	0	1	2	0	2	2	0	2
Commerce Department (Merchant Marine Academy)	1	0	1	1	1	2	1	1	2
Drug Enforcement Administration (DEA)	1	0	1	2	1	3	2	1	3
U.S. Customs Service	0	0	0	1	0	1	1	0	1
Immigration/Naturalization Service, Wash.DC	0	0	0	1	0	1	1	0	1
Subtotal Non-Reimbursable Program	8	0	8	11	3	14	11	3	14
Reimbursable Personnel:									
National Aeronautics and Space Admin.	7	0	7	7	0	7	7	0	7
Classified Activities	2	0	2	2	0	2	2	0	2
Foreign Military Sales	1	0	1	1	0	1	1	0	1
Technical Assistance Field Team (TAFT)	9	6	15	9	10	19	8	1	9
Office Program Manager (SANG)	2	0	2	2	0	2	2	0	2
DMA	3	13	16	4	9	13	3	11	14
Subtotal Reimbursable Personnel	24	19	43	25	19	44	23	12	35
Total Outside DOD	32	19	51	36	22	58	34	15	49

REIMBURSABLE PROGRAM
MILITARY PERSONNEL, MARINE CORPS
(In Thousands Of Dollars)

	FY 1997	FY 1998	FY 1999
Subsistence	\$10,730	\$12,308	\$13,592
U. S. Army	25	26	27
U. S. Navy	186	190	194
U. S. Coast Guard	0	0	0
Reserve Personnel, Marine Corps	6,546	6,683	6,757
Flight Rations	0	0	0
Non-Federal Sources:			
Commissary Stores and Messes	14	14	14
Sale of Meals	3,959	5,395	6,600
Foreign Military	0	0	0
Foreign Military Sales	300	102	105
Other Non-Strength	\$289	\$291	\$221
Surcharge	0	0	0
Clothing	0	0	0
Other Military Costs (PCS Travel)	289	291	221
Strength Related	\$17,395	\$18,400	\$18,118
Officers	(\$10,004)	(\$10,464)	(\$10,141)
Basic Pay	(6,881)	(7,263)	(7,063)
Retired Pay Accrual	(2,233)	(2,241)	(2,159)
Other	(890)	(960)	(919)
Enlisted	(\$7,391)	(\$7,936)	(\$7,977)
Basic Pay	(5,121)	(5,619)	(5,694)
Retired Pay Accrual	(1,670)	(1,714)	(1,719)
Other	(600)	(603)	(564)
Total Program	\$28,714	\$31,101	\$32,036

Combating Terrorism Resources Exhibit NC-45

BSO: Headquarters Marine Corps
(Dollars in Millions)

Functional Category: Security Forces/Technicians

	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Military Personnel, Marine Corps	\$147.0	\$154.1	\$157.4	\$162.1	\$166.9	\$171.4	\$176.2	\$180.7
Officer	\$12.5	\$12.9	\$13.1	\$13.4	\$13.8	\$14.1	\$14.4	\$14.7
Enlisted	\$134.5	\$141.2	\$144.3	\$148.7	\$153.1	\$157.3	\$161.8	\$166.0

Functional Category: Law Enforcement

	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Military Personnel, Marine Corps	\$116.6	\$122.3	\$124.8	\$128.6	\$132.4	\$135.9	\$139.7	\$143.4
Officer	\$10.4	\$10.8	\$10.9	\$11.2	\$11.5	\$11.7	\$12.0	\$12.3
Enlisted	\$106.2	\$111.5	\$113.9	\$117.4	\$120.9	\$124.2	\$127.7	\$131.1

Functional Category: Management & Planning

	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Military Personnel, Marine Corps	\$3.3	\$3.5	\$3.6	\$3.7	\$3.8	\$3.9	\$4.0	\$4.1
Officer	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Enlisted	\$3.3	\$3.5	\$3.6	\$3.7	\$3.8	\$3.9	\$4.0	\$4.1

Functional Category: Security & Investigative Matters

	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Military Personnel, Marine Corps	\$5.8	\$6.1	\$6.2	\$6.3	\$6.5	\$6.7	\$6.9	\$7.0
Officer	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3	\$1.4	\$1.4	\$1.4
Enlisted	\$4.6	\$4.8	\$4.9	\$5.0	\$5.2	\$5.3	\$5.5	\$5.6